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Derry Township School District
Board of Directors Meeting
June 24, 2024
Board of Directors Room 7:00 p.m.
Summary Minutes - XXIII

1. OPENING ITEMS

1.a. Call to Order

Minutes

The meeting was called to order by Ms. Drew at 7:05 p.m. The meeting was conducted both in-person and virtually.

1.b. Roll Call

Minutes

Members in Attendance: Robert Bennett, Joshua Csyk, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, and Ericka Schmidt

Members Absent: None

Non-Voting members in Attendance: Michele Agee, Stacy Winslow (virtually), Jason Reifsnnyder (in-person for Dr. Winslow)

Solicitor: William Zee

Staff/Public in Attendance In-Person: Phil Ayala, Sarah Harmer, Laurie Petersen, Sheryl Pursel, and Aaron Shuman

Staff/Public in Attendance Virtually: Lisa Balanda, Mark Balanda, Dr. Marilyn Carter, Lauren Fasnacht Golaszewski, Jill McCarver, Kim O'Connell, Todd Shaffer, Angie Shipper, Carol Smith, Tim Smith, and Drew Weidman

Press in Attendance: Sarah Burns - CBS 21, and Mitch Oliver- CBS 21

1.c. Flag Salute

1.d. Approval of Board of Directors Agenda

Approval of the Derry Township School District Board of Directors Agenda.

Minutes

Following a motion by Dr. Csyk and a second by Mrs. Renz the board agenda for this evening's meeting was approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz,
Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

2. INFORMATIONAL AND PROPOSALS

2.a. President Communications

Minutes

Ms. Drew announced the Board met in Executive Session prior to tonight's meeting to discuss the following:

- Purchase or lease of real estate
- School Safety update as required annually by School Code
- Legal Update

2.b. Recognition of Citizens (Agenda Items)

This is an opportunity for residents and taxpayers to address the Board on matters related to the agenda. Citizens wishing to speak may do so either in person or electronically. If in person, a registration form, that may be found on the sign-in table, should be completed and submitted to the Board Secretary, Mrs. Agee. When your name is announced, come to the microphone. If you are participating online, you must have registered individually with your full name and address, to be recognized, and you may raise your virtual hand for recognition. For all speakers, once you are recognized, it is only necessary that you identify yourself by providing your full name.

This is a reminder that public comment is not a forum for personal attacks, antagonistic behavior, or harassment. Please be advised that you are accountable for any legal ramifications and liability that results from statements that misrepresent the truth, defame individuals, or disclose personal information that is not of public concern.

To provide other residents with an opportunity to speak, each speaker during the public comment portion is limited to five (5) minutes of speaking time once recognized and limited to one opportunity to address the Board during each of the public comment periods. If necessary, the Board may set a maximum time for the public comment portion of any meeting.

Minutes

The following citizens were recognized by the board:

- Laurie Petersen spoke to the proposed Electronic Devices Policy
- Lauren Fasnacht Golaszewski spoke to the proposed Electronic Devices Policy

2.c. Standing Committee Meeting Report

Minutes

Ms. Drew announced the Finance Standing Committee was canceled for today due to the additional meeting in early June prior to budget approval. Committee meetings will resume in August. She thanked the Citizen Advisors whose terms are expiring. She extended appreciation for the time and effort of these individuals in the community and their contributions to the committee discussions. The application for appointment for Citizen Advisors will be available sometime in September and both citizen advisors and community members at large are welcome to apply.

2.d. Anticipated Agenda Items for the Next Board of Directors Meeting

The following items will be on the agenda for the next Public Board of Directors Meeting:

- Approval of June 24, 2024, Board of Directors Summary Minutes
- Approval of Clubs:
 - Distributive Education Clubs of America
 - Epilepsy Awareness Club
 - Videography Club
- Recognition of Clubs:
 - Aspiring Future Physicians Club
 - Helping Hands
 - Hershey Volunteering Association
 - Student Athlete Outreach Club
- Conference/Staff Development:
 - Kaitlin Bowser - Social Thinking Conference
 - Cara Garner - Unleashing the Superpowers Within
 - Grace Hardy - Social Thinking Conference
 - Tara Hustad - Unleashing the Superpowers Within
 - Jennifer Marron - Unleashing the Superpowers Within
 - Melissa Myers - Social Thinking Conference
 - Laura Palanzo-Sholly - Unleashing the Superpowers Within
 - Amanda Valentine - Unleashing the Superpowers Within
- CDW-G
- Claris International Inc.
- Computer Sports Medicine
- DOCEO Office Solutions LLC
- Mixed Impressions DJs
- Nearpod Inc.
- Newsela Inc.

- Renaissance Learning - Fastbridge MS
- World Book Inc.
- World of Learning Institute (Appalachia IU 08)
- Zendesk
- CertaPro Painters
- Full Blast Pressure Washing
- Global Data Consultants LLC
- Living Unlimited Inc.
- LLIU 13
- New Story
- Omega Systems
- Partnership for Career Development
- Remind
- The A.G. Mauro Company
- Therabilities
- Vista Adult Services
- Vista School

3. UNFINISHED BUSINESS

4. CONSENT AGENDA ITEMS

The consent agenda contains routinely adopted items and items that normally do not require public deliberations on the part of the Board. A Board Member may pull items which will then be discussed and voted on separately.

Minutes

Following a motion by Dr. Cysyk and a second by Mrs. Renz the Consent Agenda items were approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz,
Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt

Nay: 0

Abstain: 0

Not Cast: 0

4.a. Approval of Summary Board of Directors Meeting Minutes

4.b. Approval of Finance Checks

The Administration recommends the approval of the May 2024 expenditures for the paid bills for all funds in the total amount of \$72,873.55 excluding net payroll.

The Administration recommends the approval of the unpaid June expenditures for the bills for all funds in the total amount of \$781,925.19 excluding net payroll.

4.c. Request for the Use of School Facilities

The Administration recommends the approval of the following Requests for the Use of School Facilities.:

Group: **Hershey Cheer**

Date/Time: Thursday, August 15, 2024, 11:00 a.m. - 3:00 p.m.

Requested Facility: Granada Gym & Auxiliary Gym

Event: Youth Cheerleading Camp

Fee: None

Group: **Hershey High School Music Department**

Date/Time: Fridays, May 2, 9, 16, 23, 30,
June 6, 2025, 7:00 a.m. - 11:00 p.m.
Saturdays, May 3, 10, 17, 31,
June 7, 2025, 7:00 a.m. - 3:00 p.m.

Requested Facility: High School - Auditorium, Band Room,
Chorus/Orchestra Room

Event: Music in The Parks

Fee: Custodial (Saturday only): \$46.03 per hour
(Approximately \$2,301.50)
Total Fees - Approximately \$2,301.50

Group: **ULAX LLC**

Date/Time: Sunday, June 30, July 7 ,14, 21, 2024,
4:00 p.m. - 8:00 p.m.
Sunday, July 28, August 4, 2024 5:00 p.m. - 8:00 p.m.

Requested Facility: 322 Turf Field

Event: Adult Rec Lacrosse Games

Fee: Rental of Turf Field: \$200.00 per hour
(Approximately \$4,400.00)
Custodian: HESPA Rate (Approximately \$1,288.84
Custodian: HESPA Rate (July 7, Double Time due to
4th of July Holiday Approximately \$552.36
Total Fees: (Approximately \$6,241.20)

4.d. Announcement of Staff Development Conferences

Staff Member:	Kim West
Conference:	AP Summer Institute Lit & Comp
Location:	Washington, DC
Dates:	July 22-25, 2024

4.e. Approval of Policies

The Administration recommends the approval of the following policies of the Derry Township School District Policy Manual which have been on public display for thirty-days in the Hershey Public Library, District Office, and the Derry Township School District Website:

- Policy 204 Attendance
- Policy 204.1 Educational Tour or Trip Requested by Parents/Guardians
- Policy 603 Budget Preparation
- Policy 603.1 Budget Calendar
- Policy 606 Tax Collection
- Policy 815 Acceptable Use of Internet, Computers, and Network Resources
- Policy 903 Public Comment in Board Meetings

4.f. Approval to Revoke Policy

The Administration recommends the approval to revoke the following policy of the Derry Township School District Policy Manual.

- Policy 815.1 Acceptable Use of Technology Resources (Student Version)

4.g. Pinnacle Health Medical Services - Physician of Record Agreement

The Administration recommends the approval of the Pinnacle Health Medical Services - Physician of Record Agreement with Dr. Dhawan providing physician services for the 2024-25 school year.

5. NEW BUSINESS

5.a. Approval of Depositories for 2024-2025

The Administration recommends the Board approve the following depositories for the 2024-2025 school year:

First National Bank
Wilmington Trust
WSFS

Fulton Financial
PSDLAF
PLGIT

Minutes

Following a motion by Mrs. Renz and a second by Dr. Cysyk the depositories for 2024-2025 school year were approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.b. Year-end Transfers and Commitments of Fund Balance

The Administration recommends the approval of the June 30, 2024, year-end transfers and commitments of the fund balance.

Minutes

Following a motion by Dr. McCarver and a second by Mrs. Renz the year-end transfers and commitments of the fund balance were approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.c. Purchasing Consortiums for the 2024-2025 School Year

The Administration recommends the approval of the attached purchasing consortiums for the 2024-2025 school year.

Minutes

Following a motion by Dr. Cysyk and a second by Mrs. Renz, the purchasing consortiums for the 2024-2025 school year were approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.d. Medical

The Administration recommends the approval of the medical agreements to provide health benefits to district employees participating in the plan.

Minutes

Following a motion by Dr. McCarver and a second by Mrs. Renz, the medical agreements to provide health benefits to participating district employees were approved.

Vote Results

Yea: 9 Joshua Csyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.d.a. Highmark

5.d.b. United Concordia

5.d.c. Pareto Captive Services LLC

5.d.d. Cancer Care Interlink Care Management , Inc.

5.d.e. KISx Card

5.d.f. Regenexx LLC

5.e. Approval of Fiscal Year 2023 Audit Report

The Administration recommends the Board approve the fiscal year 2023 Audit Report prepared by the firm of Boyer and Ritter, LLC and restated statements for fiscal years 2021 and 2022.

Minutes

Following a motion by Dr. Csyk and a second by Mrs. Royo, the 2023 Audit Report and restated statements for fiscal years 2021 and 2022, prepared by the firm of Boyer and Ritter, LLC were approved.

Vote Results

Yea: 9 Joshua Csyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.f. Western Governors University Clinical Experience Renewal

The Administration recommends the Board approve the Clinical Experience Renewal with Derry Township School District and Western Governors University effective June 24, 2024.

Minutes

Following a motion by Dr. Cysyk and a second by Mrs. Royo, the Clinical Experience Renewal with Western Governors University effective June 24, 2024, was approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.g. Pennsylvania Western Internship Agreement

The Administration recommends the Board approve the internship agreement with Derry Township School District and Pennsylvania Western University effective June 24, 2024.

Minutes

Following a motion by Mrs. Renz and a second by Dr. McCarver, the internship agreement Pennsylvania Western University effective June 24, 2024, was approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.h. Approval of Policy 237 Electronic Devices

The Administration recommends the approval of the following policy of the Derry Township School District Policy Manual which has been on public display for thirty-days in the Hershey Public Library, District Office, and the Derry Township School District Website:

- Policy 237 Electronic Devices

Minutes

Following a motion by Dr. Cysyk and a second by Dr. McCarver, Mrs. Renz, followed by a second from Dr. Cysyk, moved to amend the motion by using the language in the attached amendment. The motion to amend the motion was approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0

Not Cast: 0

5.h.a. Amended approval of Policy 237 Electronic Devices

Minutes

Following a motion by Mrs. Renz and a second by Dr. Cysyk, the motion to approve Policy 237 Electronic Devices, as amended, was approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.i. Personnel - Resignations

The Administration recommends the approval of the following resignations:

Classified Staff:

Boe, Sarah

Custodian (2nd shift)

High School

Reason: Personal

Effective 06/20/2024 (retroactive)

Minutes

Following a motion by Mrs. Royo and a second by Ms. Romberger, the Personnel Resignations were approved.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

5.j. Personnel - General

1. The Administration recommends the approval of the following appointments and recognition of the following transfers:

Professional Staff:

Lawson, Allison (replacing Anna Bruns-Heck)

Kindergarten Teacher

Early Childhood Center

Temporary Professional

Bachelors, Step 1

Salary: \$58,548.77
Effective: 08/06/2024 (pending receipt of Act 168 certification)

Transfer of Professional Staff:

Keene, Pamela*

From: Behavior Specialist
District-wide
To: Behavior Consultant
Primary Elementary School
Effective: 07/01/2024

Classified Staff:

Figueroa, Linda (replacing Laurel Wagner)

Administrative Assistant
Buildings and Grounds
Full-time, 8.0 hours per day
Salary: \$21.49 per hour
Effective: 06/25/2024

Laudermilch, Jazz (new position)

Custodian (2nd shift)
District-wide
Full-time, 8.0 hours per day
Salary: \$19.09 per hour
Effective: 06/25/2024

Santos, Edwin (replacing Stacy Fazenbaker)

Custodian (2nd shift)
Early Childhood Center
Full-time, 8.0 hours per day
Salary: \$19.09 per hour
Effective: 06/25/2024

Transfer of Summer Staff:

Estrade Watson, Karen*

From: Summer Buildings and Grounds Help
To: Summer Stockroom Help
Up to 29 hours per week
Salary: \$14.38 per hour
Effective: 06/03/2024 - 08/18/2024 (retroactive)

***This individual is currently an employee. Certifications are on file.**

2. The Administration recommends the approval of the Limited Service Contract List for the 2024-2025 school year as attached.
3. The Administration recommends the approval of the Limited-Service Contract List of Athletic Coaches (Fall, Winter & Spring) for the 2024-2025 school year as attached.

Minutes

Following a motion by Mrs. Renz and a second by Dr. Cysyk, the Personnel - General items were approved and transfers were recognized.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz, Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

6. DELEGATE REPORTS

6.a. Dauphin County Technical School

Minutes

Dr. McCarver shared the following for his report of the Dauphin County Technical School:

Cooperative Education (Co-op) is a school-to-career opportunity that enables students to combine academic instruction with career and technical instruction through on-the-job training. Co-op students receive school credit and can receive pay for their work. The students pictured are from Derry Township and participated in the program this year.

7. SPECIAL REPORTS

7.a. Board Members' Report

Minutes

There were no reports shared by the board members.

7.b. Superintendent's Report

Minutes

Dr. Reifsnyder did not have a report to share with the Board.

7.c. Board President's Report

Minutes

Ms. Drew commented on the phone policy - lockers would be utilized in lieu of pouches.

8. RECOGNITION OF CITIZENS

This is an opportunity for residents and taxpayers to address the Board on matters related to the agenda or matters of District Governance not on the agenda. Those who speak are asked to follow the same guidelines outlined at the initial public comment portion of our meeting.

Minutes

There were no citizens requesting recognition by the Board.

9. ADJOURNMENT

Minutes

The meeting was adjourned to post Executive Session at 7:48 p.m. following a motion by Mrs. Renz and a second by Dr. Cysyk.

Vote Results

Yea: 9 Joshua Cysyk, Robert Bennett, Lindsay Drew, Stewart McCarver, Jennifer Renz,
Michael Rizzo, Honesta Romberger, Tracey Royo, Ericka Schmidt
Nay: 0
Abstain: 0
Not Cast: 0

Respectfully submitted,



Michele Agee
Secretary to the Board
July 29, 2024



Lindsay K. Drew
Board President

Derry Township School District
Board Meeting
June 24, 2024

Please Sign In AND Print Your Name

Signature

Printed Name

Sample Signature

Sample Name Printed

Signature

Printed Name

Laurie M. Petersen

Laurie M. Petersen

Signature

Printed Name

Mitch Olewiler

Mitch Olewiler CBS21

Signature

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June 24, 2024 Board Meeting Virtual Attendance
Lisa Balanda
Mark Balanda
Dr. Marilyn Carter
Lauren Fasnacht Golaszewski
Jill McCarver
Kim O'Connell
Todd Shaffer
Angie Shipper
Carol Smith
Tim Smith
Drew Weidman

SPI
DATE: 05/14/2024
TIME: 14:14:50

DERRY TOWNSHIP SD
CHECK REGISTER - BY FUND

PAGE NUMBER: 1
ACCTPA21

SELECTION CRITERIA: transact.yr='24' and transact.period='11' and transact.ck_date='20240520'
ACCOUNTING PERIOD: 11/24

FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	134141	05/20/24	6637	21ST CENTURY CYBER	1010000000000000	562	MAY TUITION	0.00	3,565.21
0101	134142	05/20/24	7882	2L RACE SERVICES LL	1032500003000566	810	TIMING SVCS 4/23	0.00	800.00
0101	134143	05/20/24	4813	ACADEMIC THERAPY PU	1024200000000310	610	JORDAN LEFT-RIGHT R	0.00	158.40
0101	134144	05/20/24	6640	AGORA CYBER CHARTER	1010000000000000	562	MAY TUITION	0.00	3,565.21
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SUPERVISOR GIFTS	0.00	305.95
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED PAES LAB	0.00	23.66
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1011100002050180	610	MS SCIENCE	0.00	25.64
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED SUPPLIES	0.00	13.48
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	38.17
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	38.87
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1011100003080180	610	HS SCIENCE LAB	0.00	19.96
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED INCENTIVES	0.00	35.36
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012700003080000	610	SPECED MEALTIME NEE	0.00	38.29
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED STUDENT NEED	0.00	39.74
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED SCIENCE LABS	0.00	44.49
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED PAES	0.00	47.63
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED STUDENT NEED	0.00	52.83
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	58.38
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1021200003080000	390	HS COLLEGE ADMISSIO	0.00	25.55
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410002050240	610	FCS MS BABY EGG PRO	0.00	68.44
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1011100001022000	610		0.00	70.26
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012310001020000	610	SPECED REINFORCERS	0.00	79.58
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1011100003080180	610	SCIENCE LAB HS	0.00	81.81
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	204.32
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	225.15
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED INCENTIVES	0.00	45.17
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED INCENTIVES	0.00	48.13
0101	134146	05/20/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED INCENTIVES	0.00	52.24
TOTAL CHECK								0.00	1,683.10
0101	134147	05/20/24	8435	AINSWORTH INC.	1026200000000000	430	NEW LIP SEAL MODIFI	0.00	4,290.00
0101	134148	05/20/24	8169	ALL HANDS INTERPRET	1012210001020000	323	INTERP 4/15-4/26	0.00	4,709.29
0101	134148	05/20/24	8169	ALL HANDS INTERPRET	1012210001020000	323	INTERPRETING SERVIC	0.00	3,606.99
TOTAL CHECK								0.00	8,316.28
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1024400001020000	610	CREDIT	0.00	-69.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	CREDIT	0.00	-14.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1024400001020000	610	CREDIT	0.00	-0.01
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	9.58
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	9.58
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	9.69
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	19.40
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001020170	640	KINDERGARTEN FROM A	0.00	39.72
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	10129000000000750	650	TIMECITY CASE FOR I	0.00	25.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	STORAGE SHELVES	0.00	98.79
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	RED GIFT BAGS	0.00	33.65
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	WHITE PLASTIC BAGS	0.00	39.59

SPI
DATE: 05/14/2024
TIME: 14:14:50

DERRY TOWNSHIP SD
CHECK REGISTER - BY FUND

PAGE NUMBER: 2
ACCTPA21

SELECTION CRITERIA: transact.yr='24' and transact.period='11' and transact.ck_date='20240520'
ACCOUNTING PERIOD: 11/24

FUND - 10 - GENERAL FUND

CASH	ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	SMALL TABLE WITH ST	0.00	38.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	ROLLING CLOTHES RAC	0.00	123.46
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	COAT HANGERS	0.00	14.94
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	COLLAPSABLE STORAGE	0.00	37.95
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	ROUND BISTRO PUB FU	0.00	88.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	STORAGE OTTOMAN STO	0.00	55.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	TRAVEL PILLOW	0.00	23.80
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	FITTED SHEETS	0.00	18.69
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	17.5 PLASTIC STORAG	0.00	80.74
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	53 QUART PLASTIC ST	0.00	80.49
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	FOLDING TWIN COT	0.00	165.20
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	FOLDING SLEEPER SOF	0.00	139.00
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1032100002050517	610	ESTIMATED SHIPPING/	0.00	9.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1024400001020000	610	BV MEDICAL MINI OTO	0.00	69.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1024400001020000	610	DYNAREX PERSONAL CL	0.00	48.97
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1026200003080000	610	HEAVY DUTY CASTERS	0.00	44.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	31.94
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	187.01
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1022500002050000	640	VARITEY OF BOOKS FO	0.00	814.70
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	JAM PAPER CARD STOC	0.00	58.76
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	HORRIBLE GOLF BALLS	0.00	14.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	MENS BASEBALL HAT	0.00	18.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	UNIBALL GEL PENS RE	0.00	12.49
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	UNIBALL GEL PENS BL	0.00	10.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	UNIBALL GEL PEN BLA	0.00	14.98
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	COMMAND CLEAR CLIPS	0.00	11.51
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	COLORLED DUCT TAPE	0.00	11.98
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	LINED STICKY NOTES	0.00	7.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	CASH BOX	0.00	44.44
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	ESTIMATED SHIPPING/	0.00	9.29
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1028180000000750	610	LG 27" COMPUTER MON	0.00	259.98
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1028180000000750	610	LOGITECH HD PRO WEB	0.00	127.94
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	STICKY NOTES 60/PK	0.00	26.89
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	OCEN WAVES BILLETIN	0.00	12.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	TROPICAL LEAVES BUL	0.00	7.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	WHITE PLASTIC STORG	0.00	27.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	MONTHLY CALENDAR PO	0.00	15.98
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	FLY SWATTER 5/PK	0.00	6.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	FOAM SOCCER BALL	0.00	12.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	DRY ERASE BOARD WIP	0.00	29.50
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	MAGNET CLIPS	0.00	8.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	GREY STORAGE BINS	0.00	54.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	DRY ERASE ERASERS 4	0.00	12.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	STORAGE CADDY	0.00	31.15
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	WHITE BOARD MAGNETI	0.00	17.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	CLEAR SHEET PROTECT	0.00	8.49
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	AMAZON STICKY EASEL	0.00	59.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	CRAYOLA CONSTRUCTIO	0.00	7.70
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	GOOGLY WIGGLE EYES	0.00	12.99
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050160	610	CRAYOLA CONSTRUCTIO	0.00	16.59
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	MAGNETIC LETTER CLI	0.00	71.92
0101		134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	RED HANGING FILE FO	0.00	714.60

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	YELLOW HANGING FILE	0.00	601.00
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	BLUE HANGING FILE F	0.00	551.50
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1026200000000000	610	RUBBERMAID COMMERC	0.00	134.50
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1026200000000000	610	44 GALLON TRASH BAG	0.00	30.19
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1026200000000000	610	MAGNETIC HANGING FI	0.00	35.19
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	AWARD MEDALS	0.00	92.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001022000	610	AMAZON BASIC SHEET	0.00	14.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	WIRELESS REMOTE	0.00	10.08
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	WIRELESS REMOTE	0.00	25.44
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	GOLF UMBRELLAS BLUE	0.00	239.80
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	SMARTIES CANDY	0.00	25.73
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	300 PCS INSPIRATION	0.00	8.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	MESH STRESS BALLS	0.00	43.10
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	JOLLY RANCHER CANDY	0.00	44.97
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	FRITO LAYS VARIETY	0.00	17.49
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	CHEEZ-IT CRACKERS	0.00	12.96
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	DRAWSTRING BAGS 12/	0.00	13.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	WOODEN PENCILS 100/	0.00	33.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	SPIKY STRESS BALLS	0.00	9.39
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	LED LIGHT UP RESPON	0.00	22.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	WATER BOTTLES 10/PK	0.00	51.38
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	MONKEY STRINGY BALL	0.00	35.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	PREPPY STICKERS FOR	0.00	15.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	STICKERS FOR WATER	0.00	8.09
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	STERLING SILVER WIR	0.00	16.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	MALTA APEX SAFETY G	0.00	76.78
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	PULL SAW BLADE	0.00	11.60
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	CORDLESS TOOL KIT-E	0.00	159.90
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	640	VOCABULARY IS COMPR	0.00	29.84
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	640	BRINGING WORDS TO L	0.00	30.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	640	EXPLICIT INSTRUCTIO	0.00	39.85
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012258901021750	650	SCREEN PROTECTORS 3	0.00	19.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	ENGRAVER ROTARY TOO	0.00	23.37
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	TAPE MEASURE	0.00	34.95
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	GALLON FREEZER BAGS	0.00	7.69
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	TIPS FOR CA GLUE	0.00	9.26
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	INSTA CURE 1/2OZ GA	0.00	35.22
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	RUBBERMAID STORAGE	0.00	128.00
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	WIDE VISION SAFETY	0.00	58.26
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	ANTI FOG GOGGLES 10	0.00	111.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1014900003080516	610	SCIENTIFIC CALCULAT	0.00	77.94
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	THINK FUN ROLL AND	0.00	16.66
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	KIBBIT CARD GAME	0.00	18.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	KIBBIT BINGO GAME	0.00	34.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	COOGAM SORTING TOY	0.00	31.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	SMALL HAND MIRRORS	0.00	20.49
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	DEASK TOP MIRROR PU	0.00	6.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	DESK TOP MIRROR GRE	0.00	6.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1012250000000000	610	DESK TOP MIRROR BLU	0.00	6.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001022000	610	TROY SAFETY REFLECT	0.00	53.42
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	CLEAR BADGE HOLDER	0.00	50.97
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	BADGE HOLE PUNCH	0.00	14.29

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001020000	610	BLUE LANYARDS 50/PK	0.00	89.70
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	WINTERGREEN LIFSAVE	0.00	53.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	CRYSTAL LIGHT LEMON	0.00	13.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	CRYSTAL LIGHT TEA	0.00	13.96
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	CRYSTAL LIGHT FRUIT	0.00	12.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	SHOWER CURTAINS	0.00	32.60
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	SAFETY PINS	0.00	9.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002250000	610	BOUNTY PAPER TOWELS	0.00	43.49
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	LEATHER HEADSET WIT	0.00	39.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100002050151	610	FOLDING GAMING CHAI	0.00	74.00
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	CRAYOLA COLORED PEN	0.00	709.54
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	PURELL HAND SANITIZ	0.00	478.60
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	SHARPIE ULTRA FINE	0.00	384.58
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	SHARPIE FINE POINT	0.00	297.90
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100000000000	610	WHITE PRINTER LABEL	0.00	77.42
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	CHAMPION SUPER SOFT	0.00	55.11
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	CHAMPION SPORTS STO	0.00	160.52
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	CHAMPION BEADED JUM	0.00	59.40
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	CHAMPION SPORTS BEA	0.00	33.45
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	OUTDOOR/INDOOR GAME	0.00	64.48
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	FRANKLIN SPORTS MYS	0.00	44.97
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	SIDEWALK CHALK	0.00	47.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	HIPAT WHISTLE WITH	0.00	26.97
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023000	610	DSMILE SAND TIMER 3	0.00	13.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 LIGHT GRAY I	0.00	175.68
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 YELLOW INK C	0.00	187.94
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 CYAN INK CAR	0.00	187.90
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 MAGENTA INK	0.00	175.68
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 MATTE BLACK	0.00	187.88
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001023000	610	HP 772 PHOTO BLACK	0.00	187.90
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	SAISN 250 PCS PLAST	0.00	9.49
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	SAISN 100 PCS PLAST	0.00	5.49
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	RAINBOW STICKER NAM	0.00	5.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	TEMPORARY TATTOOS 1	0.00	9.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	OCEAN ANIMAL TEMPOR	0.00	8.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	SUMMER GLITTER FRUI	0.00	6.97
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	UNICORN MERMAID TAT	0.00	6.96
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	TEMPORARY TATTOOS 6	0.00	8.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	FACE PAINT SET	0.00	17.99
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1011100001023750	610	PLASTIC STORAGE BAG	0.00	975.04
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1025190000001700	610	BOSTITCH ELECTRIC S	0.00	96.36
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1025190000001700	610	SHARP EL 1197P III	0.00	88.58
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1025190000001700	610	SHARP EL-1197P III	0.00	87.15
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1025190000001700	610	LARGE RUBBER BANDS	0.00	15.46
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800001022000	610	CARD STOCK ACCENT O	0.00	99.72
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	LINED STICKEY NOTES	0.00	15.98
0101	134151	05/20/24	7100	AMAZON CAPITAL SERV	1023800003080000	610	GOLF BALLS RETIREME	0.00	15.95
TOTAL CHECK								0.00	12,674.60
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200002050000	610	VACUUM REPAIRS MS	0.00	172.26
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200002050000	610	VACUUM REAPIRS MS	0.00	105.10
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200003080000	442	HS MAY RENTAL	0.00	570.00

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200003080000	442	MAY RENTAL HS	0.00	570.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200002050000	442	MS MAY RENTAL	0.00	570.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200002050000	430	MS VACUUM REPAIR	0.00	73.36
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200003080000	430	HS VACUUM REPAIRS	0.00	84.10
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200000000000	430	VACUUM REPAIRS	0.00	108.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200002050000	430	MS VACUUM REPAIR	0.00	167.83
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200000000000	430	VACUUM REPAIRS	0.00	199.87
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200003080000	442	HS MAY RENTAL	0.00	190.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200001023000	442	ECC MAY RENTAL	0.00	375.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200003080000	442	HS MAY RENTAL	0.00	375.00
0101	134152	05/20/24	2023	AMERICHEM INTERNATI	1026200001020000	442	ELEM MAY RENTAL	0.00	500.00
TOTAL CHECK								0.00	4,060.52
0101	134153	05/20/24	7811	APPEL YOST & ZEE LL	1023500000000000	332	MARCH LEGAL FEES	0.00	15,260.00
0101	134154	05/20/24	174	APR SUPPLY COMPANY	10262000000001000	610	INVENTORY SUPPLY	0.00	148.46
0101	134154	05/20/24	174	APR SUPPLY COMPANY	10262000000001000	610	INVENTORY SUPPLY	0.00	46.66
TOTAL CHECK								0.00	195.12
0101	134155	05/20/24	9999	ASIF, SAAD	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134156	05/20/24	197	B & H PHOTO-VIDEO-P	1013500003080000	610	EPSON ULTRACHROME B	0.00	69.44
0101	134156	05/20/24	197	B & H PHOTO-VIDEO-P	1013500003080000	610	APPLE USB-C DIGITAL	0.00	69.44
TOTAL CHECK								0.00	138.88
0101	134157	05/20/24	5690	TARA BLACKBURN	1022710003080000	240	GRAD CLASS	0.00	1,575.00
0101	134158	05/20/24	524	BLICK ART MATERIALS	1011100001020122	610	ART SUPPLIES	0.00	955.18
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	BLACKCORE FOAM BOAR	0.00	124.22
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	STRATHMORE MUSEUM M	0.00	267.60
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	CHIPBOARD 22"x28"x1	0.00	9.10
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	PACON RAILROAD BOAR	0.00	35.00
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	WHITE FOAM BOARD	0.00	117.10
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	CRESCENT BLACK MATB	0.00	224.55
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	DECOART AMERICANA A	0.00	61.11
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	CLIPBOARD 28"x44"x3	0.00	37.70
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	BLICKRYLIC STUDENT	0.00	12.04
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	BLICKRYLIC STUDENT	0.00	12.04
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	NIELSEN METAL FRAME	0.00	38.20
0101	134158	05/20/24	524	BLICK ART MATERIALS	1013500003080000	610	SPEEDBALL SCREEN PR	0.00	8.42
TOTAL CHECK								0.00	1,902.26
0101	134159	05/20/24	9999	BORTEL, DANA	10	R6949	AP EXAM REFUND	0.00	116.00
0101	134160	05/20/24	8414	BRICK LANDSCAPING S	10263000000000000	414	APRIL MOWNING	0.00	660.00
0101	134160	05/20/24	8414	BRICK LANDSCAPING S	10262000000001000	414	GRANADA GROUND MAIN	0.00	283.97
TOTAL CHECK								0.00	943.97
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	10274000000002000	610.16	TRANSP PARTS	0.00	885.47
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	10274000000002000	610.22	TRANSPORTATION PART	0.00	1,314.64
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	10274000000002000	610.21	TRANSPORTATION PART	0.00	338.38
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	10274000000002000	610.22	TRANSPORTATION PART	0.00	268.25

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0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSPORTATION PART	0.00	344.93
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.15	TRANSPORTATION PART	0.00	116.52
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.16	TRANSP PARTS	0.00	17.26
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSP PARTS	0.00	26.50
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	SUNVISOR TRANSP	0.00	59.79
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSP PARTS	0.00	113.44
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.15	TURN SIGNAL SWITCH	0.00	529.24
0101	134161	05/20/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSP PARTS	0.00	610.64
TOTAL	CHECK							0.00	4,625.06
0101	134162	05/20/24	4134	BURKHOLDER'S MOTOR	1026200001020000	610	ELEM ART PUMP REPAI	0.00	677.00
0101	134163	05/20/24	7590	BRANDON M BUTERBAUG	1011100003080121	610	PERS REIMB MUSIC	0.00	63.58
0101	134163	05/20/24	7590	BRANDON M BUTERBAUG	1011100003080121	610	PERS REIMB MUSIC	0.00	427.43
0101	134163	05/20/24	7590	BRANDON M BUTERBAUG	1023800003080000	580	PMEA CONF PERS REIM	0.00	638.25
TOTAL	CHECK							0.00	1,129.26
0101	134164	05/20/24	7605	BRIAN W BUTERBAUGH	1011100003080121	580	PMEA CONF PERS REIM	0.00	652.04
0101	134165	05/20/24	273	CAPITAL AREA INTERM	1011904110006000	322	TITLE 1 QUARTER 3	0.00	15,498.44
0101	134165	05/20/24	273	CAPITAL AREA INTERM	1011100000000115	650	TUITION	0.00	40,425.00
0101	134165	05/20/24	273	CAPITAL AREA INTERM	1028340000001000	360	2024 LEARNING SERIE	0.00	175.00
TOTAL	CHECK							0.00	56,098.44
0101	134166	05/20/24	7633	CAPITAL AREA SCHOOL	1010000000000000	562	APRIL & MAY TUITION	0.00	13,314.28
0101	134167	05/20/24	5145	CARL, BRIAN P	1011100002050121	329	ACCOMPANIST FESTIVA	0.00	400.00
0101	134168	05/20/24	1487	CAROLINA BIOLOGICAL	1011100002050180	610	3 JARS ALGAE MIX, 3	0.00	598.73
0101	134169	05/20/24	5297	ALYSSA B CARRICATO	1011100002050261	610	PERS REIMB PIZZA	0.00	71.00
0101	134170	05/20/24	1766	CM REGENT RESOURCES	10	0465	GROUP LIFE MAY	0.00	3,543.45
0101	134170	05/20/24	1766	CM REGENT RESOURCES	10	0469	LNG TRM DISABIL MAY	0.00	2,124.84
TOTAL	CHECK							0.00	5,668.29
0101	134171	05/20/24	470	COCKER'S TOWING INC	1027400000002000	430	BUS TOWING	0.00	790.00
0101	134172	05/20/24	1755	COLT PLUMBING COMPA	1026200000001000	610	INVENTORY	0.00	55.55
0101	134172	05/20/24	1755	COLT PLUMBING COMPA	1026200000001000	610	MAINT PARTS	0.00	269.30
TOTAL	CHECK							0.00	324.85
0101	134173	05/20/24	5179	COMMONWEALTH CHARTE	1010000000000000	562	TUITION MAY	0.00	98,089.37
0101	134174	05/20/24	6324	CONVERSATIONS INC	1028340001020000	360	COACHING J. FUNCK	0.00	390.00
0101	134175	05/20/24	5584	CORNWELL DOOR SERVI	1026200000001000	430	DOOR REPAIRS	0.00	1,005.03
0101	134175	05/20/24	5584	CORNWELL DOOR SERVI	1026200000001000	430	DOOR REPAIR	0.00	155.00
TOTAL	CHECK							0.00	1,160.03
0101	134176	05/20/24	7763	CROWNSTONE EQUIPMEN	1026200000000000	610	MAINT VEHICLE REPAI	0.00	1,587.03

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134177	05/20/24	2025	DAUPHIN ELECTRIC IN	1026200000000000	610	REPLACEMENT BULBS	0.00	3,431.25
0101	134178	05/20/24	5932	PITSCO INC	1011100002050260	610	CO2 DRAGSTER, FUSIO	0.00	1,935.77
0101	134178	05/20/24	5932	PITSCO INC	1011100002050260	610	CO2 DRAGSTER, BALSA	0.00	1,888.50
TOTAL	CHECK							0.00	3,824.27
0101	134179	05/20/24	672	JUDD, JEFFREY R	1011100001022000	610	USED 1/2 SIZE EASTM	0.00	275.00
0101	134179	05/20/24	672	JUDD, JEFFREY R	1011100001022000	610	USED 12" EASTMAN MO	0.00	600.00
0101	134179	05/20/24	672	JUDD, JEFFREY R	1011100001022000	610	NEW 3/4 SIZE EASTMA	0.00	579.00
0101	134179	05/20/24	672	JUDD, JEFFREY R	1011100002050121	430	VIOLIN BOW PURCHASE	0.00	61.00
TOTAL	CHECK							0.00	1,515.00
0101	134180	05/20/24	5630	BLAISSE, MATTHEW T	1011100003080121	430	PIANO TUNING	0.00	350.00
0101	134180	05/20/24	5630	BLAISSE, MATTHEW T	1011100002050121	430	STAGE PIANO TUNING	0.00	165.00
TOTAL	CHECK							0.00	515.00
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	ALUMILITE RESIN DYE	0.00	66.29
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	ROCKLER SILICONE CA	0.00	151.96
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	ALUMILITE AMAZING C	0.00	31.44
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	SANDPAPER WRAP 36-	0.00	31.50
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	SANDPAPER WRAP 120	0.00	15.75
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	SANDPAPER WRAP 220	0.00	15.75
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	MINI ERGONOMIC CARB	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	MINI ERGONOMIC CARB	0.00	159.99
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	D1 REPLACEMENT CUTT	0.00	18.69
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	R1 REPLACEMENT CUTT	0.00	16.99
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	AMAZING MOLD RELEAS	0.00	12.74
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTI PUR	0.00	27.18
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	15.29
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	14.44
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	14.44
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	14.44
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	14.44
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	EYE CANDY MULTIPURP	0.00	13.59
0101	134181	05/20/24	6485	ROCKLER COMPANIES I	1013500003080000	610	PROMO CODE V91112 1	0.00	-1.70
TOTAL	CHECK							0.00	755.53
0101	134182	05/20/24	1476	DT LLC	1026200000000000	610.06	PORT & COMPANY BLEN	0.00	154.00
0101	134182	05/20/24	1476	DT LLC	1026200000000000	610.06	EXTRA LARGE	0.00	154.00
0101	134182	05/20/24	1476	DT LLC	1026200000000000	610.06	2XLARGE	0.00	189.00
0101	134182	05/20/24	1476	DT LLC	1026200000000000	610.06	3XLARGE	0.00	101.50
0101	134182	05/20/24	1476	DT LLC	1026200000000000	610.06	SET UP CHARGE	0.00	20.00
0101	134182	05/20/24	1476	DT LLC	1032500003000564	610	SOFTBALL UNIFORMS	0.00	505.01
TOTAL	CHECK							0.00	1,123.51

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134183	05/20/24	6900	TURF TRACK & COURT	1026300000000000	414	FILED MAINT 4/9/24	0.00	2,200.00
0101	134184	05/20/24	6964	KIM J DEWITT	1022710003080000	240	GRAD CLASS	0.00	1,876.80
0101	134185	05/20/24	7122	DIAKON LUTHERN SOCI	1012310003080000	323	MARCH TUITION	0.00	1,865.38
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	1-10 NUMBER PATHS,	0.00	36.00
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	EUREKA MATH CENTIME	0.00	51.96
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	EUREKA MATH PLACE V	0.00	140.00
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	MAGNETIC DEMO PLACE	0.00	55.96
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	PLACE VALUE DICE-TE	0.00	119.85
0101	134186	05/20/24	294	DIDAX INC	1011100001023000	610	ESTIMATED SHIPPING/	0.00	56.53
TOTAL CHECK								0.00	460.30
0101	134187	05/20/24	8060	DIETRICH, HANNES	1011100002050121	329	STRING COACHING	0.00	150.00
0101	134188	05/20/24	6722	DEREK C DIETZ	1022710003080000	240	GRAD CLASS	0.00	1,548.00
0101	134188	05/20/24	6722	DEREK C DIETZ	1022710003080000	240	GRAD CLASS	0.00	2,180.40
TOTAL CHECK								0.00	3,728.40
0101	134189	05/20/24	75	DSI MEDICAL SERVICE	10272000000002000	390	TRANSP EE SCREENING	0.00	30.67
0101	134190	05/20/24	7299	EAGLE FLAG & SUPPLY	1026300000000000	610	6'X10' NYLON US FLA	0.00	1,128.00
0101	134191	05/20/24	5906	EBERSOLE EXCAVATING	10262000000001000	430	SINKHOLE REPAIR	0.00	30,035.28
0101	134192	05/20/24	2530	GREGORY D FASTRICH	1032500003000565	610	PERS REIMB SWIMMING	0.00	377.90
0101	134193	05/20/24	2212	FOLLETT CONTENT SOL	1022500001020000	640	LIBRARY BOOK ORDER-	0.00	232.13
0101	134193	05/20/24	2212	FOLLETT CONTENT SOL	1022500001020000	640	LIBRARY BOOK ORDER	0.00	52.80
TOTAL CHECK								0.00	284.93
0101	134194	05/20/24	8421	JOHN P FREADY	1026200000000000	360	ERS REIMB PASBO REG	0.00	205.40
0101	134195	05/20/24	1374	JENA L FUNCK	1023800001020000	610	REIMB PHONE CASE	0.00	26.99
0101	134196	05/20/24	6599	GALLAGHER PRINTING	1032500003000565	610	SWIM/DIVE LETTERS	0.00	46.18
0101	134196	05/20/24	6599	GALLAGHER PRINTING	1032500003000514	610	BOCCE LETTERS	0.00	43.00
TOTAL CHECK								0.00	89.18
0101	134197	05/20/24	7103	GARDEN SPOT MECHANI	10262000000001000	430	ROOF DRAIN REPAIR-	0.00	2,475.00
0101	134198	05/20/24	2532	ANNA L GAWEL	1022710001022000	240	GRAD CLASS	0.00	2,056.20
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	BLUE ACRYLIC STANDA	0.00	160.00
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	ORANGE ACRYLIC STAN	0.00	160.00
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	WHITE ACRYLIC STAND	0.00	148.00
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	GREEN ACRYLIC STAND	0.00	80.00
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	CLEAR ACRYLIC STAND	0.00	148.00
0101	134199	05/20/24	8300	GLOWFORGE INC	1011100001022000	610	RED ACRYLIC STANDAR	0.00	80.00
TOTAL CHECK								0.00	776.00

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134200	05/20/24	9999	GRACE, WENDY	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134201	05/20/24	1989	JOY A GRAEFF	1011100002050000	810	REIMB MATH CNTS FOO	0.00	136.72
0101	134202	05/20/24	1763	KIMBERLY M GRAEFF	1022710001021000	240	GRAD CLASS	0.00	475.00
0101	134203	05/20/24	748	GRAINGER INC	1026200000001000	610	PLUMBING SAFETY INV	0.00	12.00
0101	134203	05/20/24	748	GRAINGER INC	1026200000000000	610	CEILING TILE	0.00	15.70
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	HS LIGHT REPAIR	0.00	66.73
0101	134203	05/20/24	748	GRAINGER INC	1026200002050000	610	MS ART ROOM	0.00	15.47
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	HS OFFICE/SHOP	0.00	15.92
0101	134203	05/20/24	748	GRAINGER INC	1026200000001000	610	PLUMB INVENTORY	0.00	28.54
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	ATHLETIC FLD IRRIGA	0.00	527.34
0101	134203	05/20/24	748	GRAINGER INC	1026200002050000	610	FLUORESCENT BULBS	0.00	795.40
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	HS REPAIR	0.00	858.00
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	HS GYM LIGHTS	0.00	228.12
0101	134203	05/20/24	748	GRAINGER INC	1026200002050000	610	MS LIBRARY	0.00	148.12
0101	134203	05/20/24	748	GRAINGER INC	1026200001023000	610	ECC HVAC REPAIR	0.00	171.16
0101	134203	05/20/24	748	GRAINGER INC	1026200003080000	610	HS STAGE REPAIR	0.00	85.35
0101	134203	05/20/24	748	GRAINGER INC	1026200000001000	610	PLUMBING INVENTORY	0.00	16.21
0101	134203	05/20/24	748	GRAINGER INC	1026200000001000	610	PLUMBING INVENTORY	0.00	71.88
0101	134203	05/20/24	748	GRAINGER INC	1026200002050000	610	MS FIRE ALARM REPAI	0.00	33.31
TOTAL CHECK								0.00	3,089.25
0101	134204	05/20/24	3530	GUILFORD PUBLICATIO	1021400000000000	640	DBT SKILLS IN SCHOO	0.00	44.20
0101	134204	05/20/24	3530	GUILFORD PUBLICATIO	1021400000000000	640	DBT SKILLS MANUAL F	0.00	46.75
0101	134204	05/20/24	3530	GUILFORD PUBLICATIO	1021400000000000	640	DBT SKILLS TRAINING	0.00	71.40
0101	134204	05/20/24	3530	GUILFORD PUBLICATIO	1021400000000000	640	DBT SKILLS TRAINING	0.00	55.25
TOTAL CHECK								0.00	217.60
0101	134205	05/20/24	1127	MICHAEL V GUSTANTIN	1011100003080180	580	PERS REIMB PARKING	0.00	55.00
0101	134205	05/20/24	1127	MICHAEL V GUSTANTIN	10274000000002000	626	GAS SCHOOL VAN	0.00	30.00
TOTAL CHECK								0.00	85.00
0101	134206	05/20/24	764	H & L TEAM SALES IN	1032500003000571	610	BOY LACROSSE SHORTS	0.00	614.00
0101	134207	05/20/24	7753	HADFIELD ELEVATOR L	1026200003080000	430	INSTALL NEW SOFT ST	0.00	1,712.50
0101	134207	05/20/24	7753	HADFIELD ELEVATOR L	1026200001023000	430	ELEVATOR MAINTENANC	0.00	2,156.25
TOTAL CHECK								0.00	3,868.75
0101	134208	05/20/24	1534	HARRISBURG AREA COM	1016930000000000	566	4 QTR PAYMENT ADJUS	0.00	849.50
0101	134209	05/20/24	8311	KATHRYN G HATCHELL	1022710001021000	240	GRAD CLASS	0.00	713.00
0101	134209	05/20/24	8311	KATHRYN G HATCHELL	1022710001021000	240	GRAD CLASS	0.00	2,153.00
TOTAL CHECK								0.00	2,866.00
0101	134210	05/20/24	7604	HCC LIFE INSURANCE	10	0463	HCC LIFE INSURANCE	0.00	69,471.12
0101	134211	05/20/24	6883	HENISE TIRE SERVICE	10274000000002000	610.11	TRANSPORTATION PART	0.00	224.00
0101	134211	05/20/24	6883	HENISE TIRE SERVICE	10274000000002000	610.11	TRANSP PARTS	0.00	694.36
TOTAL CHECK								0.00	918.36

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134212	05/20/24	8383	ANGELA D HENNING	1022500003080000	810	PERS REIMB ALA MBRS	0.00	227.00
0101	134213	05/20/24	6194	HERSHEY TERMITE & P	10262000000001000	460	MONTHLY SERVICE 44	0.00	84.60
0101	134213	05/20/24	6194	HERSHEY TERMITE & P	10262000000000000	460	MONTHLY SERVICE	0.00	752.50
TOTAL CHECK								0.00	837.10
0101	134214	05/20/24	2740	HOFFMAN FORD SALES	10274000000002000	430	BUS REPAIR	0.00	632.82
0101	134215	05/20/24	6661	INFINITY CHARTER SC	10100000000000000	562	MAY TUITION	0.00	4,438.12
0101	134216	05/20/24	7765	IRIS LTD INC	10262000000000000	610	SERVICE BUREAU PRIN	0.00	237.29
0101	134216	05/20/24	7765	IRIS LTD INC	10236000000001000	610	CLEAR HALF CARD HAR	0.00	550.00
0101	134216	05/20/24	7765	IRIS LTD INC	10236000000001000	610	ESTIMATED SHIPPING/	0.00	29.00
TOTAL CHECK								0.00	816.29
0101	134217	05/20/24	8123	J HUBLER LANDSCAPIN	10263000000000000	414	SPRING PRE/POST EME	0.00	5,715.04
0101	134217	05/20/24	8123	J HUBLER LANDSCAPIN	10263000000000000	414	APRIL PRE/POST EMER	0.00	1,744.15
TOTAL CHECK								0.00	7,459.19
0101	134218	05/20/24	8217	JENNIFER KOLISCAK	1022500002050000	640	PERS REIMB BOOKS	0.00	59.60
0101	134219	05/20/24	924	JKM TRAINING INC	10266000000000000	390	SAFE CRISIS TRAININ	0.00	4,785.00
0101	134219	05/20/24	924	JKM TRAINING INC	10266000000000000	390	SAFE CRISIS ONLINE	0.00	79.95
0101	134219	05/20/24	924	JKM TRAINING INC	10266000000000000	390	SAFE CRISIS CERT	0.00	79.95
TOTAL CHECK								0.00	4,944.90
0101	134220	05/20/24	937	JOHNSON CONTROLS FI	10262000000001000	430	FIRE ALARM SVCS	0.00	660.00
0101	134221	05/20/24	7355	TARA L KATERMAN	1011100001022000	610	READ AMERICA GIFT C	0.00	60.00
0101	134222	05/20/24	6187	KEYSTONE SERVICE SY	10211900000000000	390	STUDENT ASSIST SVCS	0.00	648.00
0101	134223	05/20/24	4257	MICHELLE KISNER	1022710001022000	240	GRAD CLASS	0.00	2,540.00
0101	134224	05/20/24	6362	KIT NETWORK CABLING	1026600001020750	650	EXACQVISION SOFTWAR	0.00	1,256.32
0101	134225	05/20/24	971	KLICK LEWIS INC	10274000000002000	430	CIRCUIT REPAIR	0.00	133.89
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	1,143.90
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	2,919.19
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	3,096.22
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	1,730.05
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	2,426.48
0101	134226	05/20/24	6455	KOPPY'S PROPANE INC	10274000000002000	623	PROPANE	0.00	2,604.87
TOTAL CHECK								0.00	13,920.71
0101	134227	05/20/24	1481	KURTZ BROTHERS INC	10111000000000000	610	DOUBLE POCKET PORTF	0.00	578.00
0101	134227	05/20/24	1481	KURTZ BROTHERS INC	10111000000000000	610	DOUBLE POCKET PORTF	0.00	578.00
0101	134227	05/20/24	1481	KURTZ BROTHERS INC	10111000000000000	610	DOUBLE POCKET PORTF	0.00	578.00
0101	134227	05/20/24	1481	KURTZ BROTHERS INC	10111000000000000	610	DOUBLE POCKET PORTF	0.00	578.00
0101	134227	05/20/24	1481	KURTZ BROTHERS INC	10111000000000000	610	PENCIL TIP ERASERS	0.00	86.50

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0101	134227	05/20/24	1481	KURTZ BROTHERS INC	1011100000000000	610	MEDIUM PINK ERASERS	0.00	203.25
TOTAL CHECK								0.00	2,601.75
0101	134228	05/20/24	1570	LANCASTER/LEBANON I	1012250001020000	322	SPEECH LANG THERAPY	0.00	288.00
0101	134228	05/20/24	1570	LANCASTER/LEBANON I	1024200001020000	322	OCCUPATIONAL THRPY	0.00	403.20
0101	134228	05/20/24	1570	LANCASTER/LEBANON I	1012330001020000	322	SPECED PCA SVCS	0.00	4,581.50
TOTAL CHECK								0.00	5,272.70
0101	134229	05/20/24	7552	LARRY & ANTHONY FER	1023900003080000	610	ADDITIONAL DIPLOMA	0.00	37.00
0101	134229	05/20/24	7552	LARRY & ANTHONY FER	1023900003080000	610	DIPLOMA COVERS	0.00	2,582.95
TOTAL CHECK								0.00	2,619.95
0101	134230	05/20/24	8244	LAUREN MILLER	1022710001021000	240	GRAD CLASS	0.00	2,203.00
0101	134231	05/20/24	4128	CHERYL L LEWIS	1027200000002000	810	PERS REIMB CDL	0.00	78.00
0101	134232	05/20/24	2093	DAVID J LILLENSTEIN	1021400000000000	580	PERS REIMB MILEAGE	0.00	108.81
0101	134233	05/20/24	1897	LIVING UNLIMITED IN	1012908900000000	323	3/1-3/14 MUSIC LSSN	0.00	495.00
0101	134234	05/20/24	2904	JEFFREY L MACKNEER	1022500003080000	610	PERS REIMB LIBR STO	0.00	116.96
0101	134235	05/20/24	1598	MAGUIRE'S FORD OF H	1027400000002000	610.15	TRANSP PARTS	0.00	51.48
0101	134235	05/20/24	1598	MAGUIRE'S FORD OF H	1027400000002000	610.22	WIPER BLADES	0.00	35.46
TOTAL CHECK								0.00	86.94
0101	134236	05/20/24	8463	MAIDEN USA, LLC	1026200003080000	430	HS GYM HOIST REPAIR	0.00	8,200.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MAKERBOT PLA FILAME	0.00	297.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MAKERBOT METHOD X R	0.00	338.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MAKERBOT METHOD X S	0.00	169.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MAKERBOT METHOD X A	0.00	109.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MAKERBOT METHOD PVA	0.00	84.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	MODEL 1A EXTRUDER F	0.00	399.00
0101	134237	05/20/24	6300	MAKERBOT INDUSTRIES	1013500003080000	610	ESTIMATED SHIPPING/	0.00	49.91
TOTAL CHECK								0.00	1,445.91
0101	134238	05/20/24	1093	MARK'S PLUMBING PAR	1026200000000000	621	MAINT PARTS	0.00	450.81
0101	134239	05/20/24	2764	MARSHALL DENNEHEY W	1023500000000000	332	LEGAL SERVICES	0.00	1,521.00
0101	134240	05/20/24	8424	MAXIE BRAKE RELEASE	1027400000002000	610.14	TRANSP PARTS	0.00	98.38
0101	134241	05/20/24	6186	MAZZITTI & SULLIVAN	1028350000000000	330	EAP SVCS 6/1-8/31/2	0.00	3,318.75
0101	134242	05/20/24	8461	KATHLEEN M MEMMI	1027200000002000	810	PERS REIM CDL	0.00	132.50
0101	134243	05/20/24	1579	MENCHEY MUSIC SERVI	1011100002050121	610	ON YA BIKE SCORE	0.00	6.40
0101	134243	05/20/24	1579	MENCHEY MUSIC SERVI	1011100002050121	430	BARITONE REPAIR	0.00	70.60
0101	134243	05/20/24	1579	MENCHEY MUSIC SERVI	1011100001020121	430	STRING BASS REAPIRS	0.00	40.95
0101	134243	05/20/24	1579	MENCHEY MUSIC SERVI	1011100002050121	430	EUPHONIUM REPAIRS	0.00	99.45
TOTAL CHECK								0.00	217.40

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0101	134244	05/20/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP SPECED IEPREVI	0.00	79.17
0101	134244	05/20/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP SPECED IEPREVI	0.00	99.16
0101	134244	05/20/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SPECED SBAP	0.00	33.33
0101	134244	05/20/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP SPECED	0.00	10.00
TOTAL	CHECK							0.00	221.66
0101	134245	05/20/24	8156	MILE6 LLC	1028180000000750	650	IMPLEMENT UPGRADES	0.00	112.50
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1026200000000000	610	B&G TRUCK	0.00	48.87
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610	TRANSPORTATION PART	0.00	49.98
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610.14	CREDIT TRANSP	0.00	-65.36
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610.18	TRANSPORTATION PART	0.00	9.42
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610.22	TRANSP PARTS	0.00	23.97
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610.15	TRANSP PARTS	0.00	17.99
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610.18	TRANSPORTATION PART	0.00	32.97
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610	TRANSPORTATION PART	0.00	21.54
0101	134246	05/20/24	1599	MILLER & BIXLER AUT	1027400000002000	610	TRANSP PARTS	0.00	70.14
TOTAL	CHECK							0.00	209.52
0101	134247	05/20/24	2442	LISA M SVIBEN MILLE	1026600000000000	390	PERS REIMB CPR TRAI	0.00	350.00
0101	134247	05/20/24	2442	LISA M SVIBEN MILLE	10	0481	PERS REIMB POSTAGE	0.00	23.73
TOTAL	CHECK							0.00	373.73
0101	134248	05/20/24	9999	MITCHELL, ANDREA	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134249	05/20/24	3814	MSC INDUSTRIAL SUPP	1013500003080000	610	TECH ED MAGNETS	0.00	7.32
0101	134250	05/20/24	6007	NAFME	1023800003080000	610	TRI-M GRADUATION CO	0.00	150.00
0101	134250	05/20/24	6007	NAFME	1023800003080000	610	TRI-M MAGNET	0.00	150.00
0101	134250	05/20/24	6007	NAFME	1023800003080000	610	TRI-M BANNER	0.00	32.00
0101	134250	05/20/24	6007	NAFME	1023800003080000	610	ESTIMATED SHIPPING/	0.00	19.47
TOTAL	CHECK							0.00	351.47
0101	134251	05/20/24	8458	NATIONAL WATER SPEC	1026200000000000	610	HVAC SHOP EQUIP MAI	0.00	131.00
0101	134252	05/20/24	1819	SHERRY A NESBITT	1011100002050750	650	PERS REIM SUBSCRIP	0.00	130.03
0101	134253	05/20/24	9999	OLAZEWSKI, RICHARD	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134254	05/20/24	6638	PA CYBER CHARTER SC	1010000000000000	562	APRIL & MAY TUITION	0.00	28,395.19
0101	134255	05/20/24	6666	PA LEADERSHIP CHART	1010000000000000	562	APRIL & MAY TUITION	0.00	4,669.28
0101	134256	05/20/24	1515	PA PRINCIPALS ASSOC	1023800003080000	810	MEMBERSHIP L.SCHMID	0.00	605.00
0101	134257	05/20/24	6662	PA VIRTUAL CHARTER	1010000000000000	562	MAY TUITION	0.00	16,642.87
0101	134258	05/20/24	420	PASBO	1028360000001750	360	WEBCST PSERS UPDATE	0.00	75.00
0101	134258	05/20/24	420	PASBO	1028360000001700	360	WEBCAST PAYROLL	0.00	75.00
TOTAL	CHECK							0.00	150.00

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0101	134259	05/20/24	4620	PIONEER MANUFACTURI	1026300000000000	414	SPORTS FIELDS	0.00	624.11
0101	134260	05/20/24	8279	POWER PRO EQUIPMENT	1026300000000000	414	BAGS/TRASH HOLDER	0.00	244.96
0101	134260	05/20/24	8279	POWER PRO EQUIPMENT	1026300000000000	414	BELT	0.00	297.98
TOTAL	CHECK							0.00	542.94
0101	134261	05/20/24	1649	POWERSCHOOL GROUP L	1025190000001700	330	EFINANCE CONSULTING	0.00	324.00
0101	134261	05/20/24	1649	POWERSCHOOL GROUP L	1025190000001700	330	EFINANCE CONSULTING	0.00	2,436.00
0101	134261	05/20/24	1649	POWERSCHOOL GROUP L	1025190000001700	330	EFINANCE CONSULTING	0.00	4,296.00
TOTAL	CHECK							0.00	7,056.00
0101	134262	05/20/24	670	QUENCH USA, INC	1024400001023000	424	ECC NURSE OFFICE	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800002050000	424	MS OFFICE MAILROOM	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1024400002050000	424	MS NURSE OFFICE	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1026200000000000	424	ADMIN OFFICE UPSTAI	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1026200000000000	424	MAINTENANCE BRK ROO	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1021400001020000	424	PRIM/INTER PSY SUIT	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1028400000001750	424	ADMIN OFFICE UPSTAI	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1024400001020000	424	PRIM/INTER NURSE OF	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800003080000	424	HS FACULTY BRK ROOM	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001023000	424	ECC OFFICE WRK ROOM	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1024400003080000	424	HS NURSE OFFICE	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800003080000	424	HS MAIN OFFICE	0.00	132.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001022000	424	INTER BLUE LOUNGE	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001021000	424	PRIMARY ELEM OFFICE	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001022000	424	INTER ELEM OFFICE	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001021000	424	PRIM LIBRARY WRK RM	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001022000	424	INTER LIBRARY WRK R	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001021000	424	PRIM 5TH GR LOUNGE	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001022000	424	INTER 5TH GR LOUNGE	0.00	66.00
0101	134262	05/20/24	670	QUENCH USA, INC	1023800001021000	424	PRIM BLUE LOUNGE	0.00	66.00
TOTAL	CHECK							0.00	2,112.00
0101	134263	05/20/24	7620	REACH CYBER CHARTER	1010000000000000	562	MAY TUITION	0.00	21,074.95
0101	134264	05/20/24	6975	READING LEAGUE	1011100001022000	640	PIP AND TIM SMALL G	0.00	1,800.00
0101	134264	05/20/24	6975	READING LEAGUE	1011100001022000	640	PIP AND TIM LITTLE	0.00	750.00
0101	134264	05/20/24	6975	READING LEAGUE	1011100001022000	640	ESTIMATED SHIPPING/	0.00	57.32
TOTAL	CHECK							0.00	2,607.32
0101	134265	05/20/24	5683	ERIN M ROSENSTEEL	1032100003080508	580	PERS REIMB MILEAGE	0.00	174.20
0101	134266	05/20/24	1692	SCHAEDLER YESCO DIS	1026200003080000	610	HS LIGHT REPAIRS	0.00	251.74
0101	134266	05/20/24	1692	SCHAEDLER YESCO DIS	1026200003080000	610	HS LIGHTING	0.00	281.86
TOTAL	CHECK							0.00	533.60
0101	134267	05/20/24	7978	CRAIG E SCHLUPP	1027200000002000	810	PERS REIMB CDL	0.00	78.00
0101	134268	05/20/24	3057	SCHOOL NURSE SUPPLY	1024400001020000	610	RIESTER LED PENLIGH	0.00	15.91
0101	134268	05/20/24	3057	SCHOOL NURSE SUPPLY	1024400001020000	610	BARRINGTON DIOGNOST	0.00	13.77
0101	134268	05/20/24	3057	SCHOOL NURSE SUPPLY	1024400001020000	610	BARRINGTON DIAGNOST	0.00	64.60
0101	134268	05/20/24	3057	SCHOOL NURSE SUPPLY	1024400001020000	610	CHILDRENS ACETAMINE	0.00	79.50

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION----	SALES TAX	AMOUNT
TOTAL CHECK								0.00	173.78
0101	134269	05/20/24	5452	SECURITY IMAGING CO	1023800001022000	610	ROUND BADGE REEL, D	0.00	108.00
0101	134269	05/20/24	5452	SECURITY IMAGING CO	1023800001022000	610	1-5 COLOR DOMED LAB	0.00	85.00
0101	134269	05/20/24	5452	SECURITY IMAGING CO	1023800001022000	610	ESTIMATED SHIPPING/	0.00	30.00
TOTAL CHECK								0.00	223.00
0101	134270	05/20/24	8009	SHAFER, SARAH	1011100003080121	329	SOLOIST COACHING	0.00	100.00
0101	134271	05/20/24	8390	LAUREN A SHEFFY	1022710001021000	240	GRAD CLASS	0.00	1,788.00
0101	134271	05/20/24	8390	LAUREN A SHEFFY	1022710001021000	240	GRAD CLASS	0.00	1,788.00
TOTAL CHECK								0.00	3,576.00
0101	134272	05/20/24	1694	SHERWIN WILLIAMS CO	1026300000000000	414	BBALL FIELD PAINT	0.00	12.38
0101	134273	05/20/24	7804	SPECIALIZED EDUCATI	1014420003000000	323	2 ALT ED SLOTS	0.00	5,652.00
0101	134273	05/20/24	7804	SPECIALIZED EDUCATI	1012310003080000	323	2 SPECED SLOTS	0.00	6,830.00
TOTAL CHECK								0.00	12,482.00
0101	134274	05/20/24	1499	SPORTSMANS INC	1032500003000561	610	TENNIS OVERGRIP	0.00	124.95
0101	134275	05/20/24	4637	STAPLES CONTRACT &	1011100000000000	610	GREEN HANGING FILE	0.00	552.00
0101	134275	05/20/24	4637	STAPLES CONTRACT &	1011100000000000	610	SCISSORS 8" 3/PK	0.00	105.06
0101	134275	05/20/24	4637	STAPLES CONTRACT &	1011100000000000	610	STRETCH WRAP	0.00	39.99
0101	134275	05/20/24	4637	STAPLES CONTRACT &	1023800003080000	610	JAM PAPER CARD STOC	0.00	98.97
TOTAL CHECK								0.00	796.02
0101	134276	05/20/24	6078	EMILY E STERNER	1022710003080000	240	GRAD CLASS	0.00	1,876.80
0101	134276	05/20/24	6078	EMILY E STERNER	1022710003080000	240	GRAD CLASS	0.00	1,876.80
0101	134276	05/20/24	6078	EMILY E STERNER	1022710003080000	240	GRAD CLASS	0.00	1,876.80
TOTAL CHECK								0.00	5,630.40
0101	134277	05/20/24	2215	STEVE WEISS MUSIC I	1011100001020121	610	LIBERTY ONE 24" SLA	0.00	39.95
0101	134277	05/20/24	2215	STEVE WEISS MUSIC I	1011100001020121	610	PATTERSON TRIANGLE	0.00	43.50
0101	134277	05/20/24	2215	STEVE WEISS MUSIC I	1011100001020121	610	ESTIMATED SHIPPING/	0.00	8.95
TOTAL CHECK								0.00	92.40
0101	134278	05/20/24	1699	SUN INC	10236000000001000	549	APRIL BUS DRIVER AD	0.00	150.00
0101	134279	05/20/24	3720	SWEETWATER SOUND IN	1011100001020121	610	WIRELESS LAVALIER M	0.00	329.00
0101	134280	05/20/24	8404	SYLVAN HEIGHTS SCIE	1010000000000000	562	APRIL & MAY TUITION	0.00	4,438.09
0101	134281	05/20/24	4039	TALLEY PETROLEUM EN	1026200000000000	627	GASOLINE	0.00	1,427.35
0101	134282	05/20/24	1261	TANNER OF PA INC	1023800003080000	610	HIWMM 2 TASK MID-BA	0.00	406.18
0101	134282	05/20/24	1261	TANNER OF PA INC	1023800003080000	610	ESTIMATED SHIPPING/	0.00	90.00
TOTAL CHECK								0.00	496.18
0101	134283	05/20/24	5633	THERABILITIES INC	10242000000000310	330	PRESCHOOL PHYS THER	0.00	204.00
0101	134283	05/20/24	5633	THERABILITIES INC	10242000000000310	330	PHYSICAL THERAPY	0.00	4,725.00
TOTAL CHECK								0.00	4,929.00

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134284	05/20/24	8063	TILLETT TOILETS	1026300000000000	414	RENTAL	0.00	340.00
0101	134284	05/20/24	8063	TILLETT TOILETS	1026300000000000	414	HAND SANITIZER RENT	0.00	340.00
TOTAL	CHECK							0.00	680.00
0101	134285	05/20/24	4228	TK ELEVATOR CORPORA	1026200000001000	430	GRNADA MAINTENANCE	0.00	976.05
0101	134286	05/20/24	8447	MUNICO CORP (TRAFFI	1026600000000000	610	SIMPOSQUARE 24" POR	0.00	351.60
0101	134286	05/20/24	8447	MUNICO CORP (TRAFFI	1026600000000000	610	ESTIMATED SHIPPING/	0.00	179.00
TOTAL	CHECK							0.00	530.60
0101	134287	05/20/24	2677	TRANSFINDER CORPORA	1027400000002750	650	ANNUAL TECH SUPPORT	0.00	1,400.00
0101	134288	05/20/24	9999	TUNKS, NICOLE	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134289	05/20/24	8433	TURF TRADE	1026300000000000	414	QUICK DRY TURFACE M	0.00	520.00
0101	134290	05/20/24	8455	LOST MOUNTAIN COMME	1011100001022000	610	TI-15 EXPLORER ELEM	0.00	1,049.30
0101	134291	05/20/24	6355	ERICK VALENTIN	1022710002050000	580	RESTORITIVE CONF RE	0.00	181.48
0101	134292	05/20/24	8457	VARSITY ATHLETICS A	1032500000000550	610	BOCCE	0.00	19.50
0101	134292	05/20/24	8457	VARSITY ATHLETICS A	1032500000000550	610	ESTIMATED SHIPPING/	0.00	10.00
TOTAL	CHECK							0.00	29.50
0101	134293	05/20/24	3027	BSN SPORTS LLC	1032500003000570	610.06	GIRL LAX UNIFORMS	0.00	561.00
0101	134294	05/20/24	6559	VERIZON	1026200000001000	530		0.00	176.02
0101	134295	05/20/24	6417	VISTA ADULT SERVICE	1012330003080000	323	SPECED EMPLOY SVCS	0.00	7,975.25
0101	134296	05/20/24	1363	VISTA SCHOOL INC	1012330003080000	323	PRE EMPLOY SVCS	0.00	1,850.00
0101	134296	05/20/24	1363	VISTA SCHOOL INC	1012900001020000	323	HEARING SCREENING	0.00	17.36
0101	134296	05/20/24	1363	VISTA SCHOOL INC	1012330001020000	323	TUITION APRIL	0.00	6,467.86
0101	134296	05/20/24	1363	VISTA SCHOOL INC	1012330001020000	323	TUITION/PCA SVCS	0.00	9,540.67
TOTAL	CHECK							0.00	17,875.89
0101	134297	05/20/24	2275	LAURA E WADE	1023800003080000	610	PERS REIM SENIOR AW	0.00	80.00
0101	134298	05/20/24	1371	WALTERS SERVICES IN	1027200000002000	424	3/2024 HOLDING TANK	0.00	1,300.50
0101	134298	05/20/24	1371	WALTERS SERVICES IN	1027200000002000	424	4/2024 HOLDING TANK	0.00	1,606.50
TOTAL	CHECK							0.00	2,907.00
0101	134299	05/20/24	8454	WALZ GROUP	1025190000001700	330	BUSS OFFICE ACCT	0.00	10,192.50
0101	134300	05/20/24	9999	WANG, YUFEN	10	R6949	AP EXAM REFUND	0.00	58.00
0101	134301	05/20/24	1489	WARD'S NATURAL SCIE	1011100003080180	610	IMMUNOLOGY MANIPULA	0.00	421.98
0101	134302	05/20/24	7582	WATER TREATMENT BY	1026200002050000	430	SERVICE VISIT	0.00	225.00
0101	134303	05/20/24	8460	KAYLA A WENGER	1022710001022000	240	GRAD CLASS	0.00	1,108.00

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134303	05/20/24	8460	KAYLA A WENGER	1022710001022000	240	GRAD CLASS	0.00	1,108.00
TOTAL	CHECK							0.00	2,216.00
0101	134304	05/20/24	7641	WESTERN PA SCHOOL F	1027200000002000	513.05	TRANSP APRIL 24	0.00	850.00
0101	134305	05/20/24	1520	WILHELM'S HARDWARE	1026300000000000	414	IRRIGATION PARTS	0.00	32.97
0101	134305	05/20/24	1520	WILHELM'S HARDWARE	1026200001023000	610	PARTS	0.00	13.79
TOTAL	CHECK							0.00	46.76
0101	134306	05/20/24	8459	AMY L WOLFE	1022710003080000	240	GRAD CLASS	0.00	1,620.00
0101	134307	05/20/24	3939	YAZINSKI DMD, RICHA	1024400002050000	390	HMS DENTAL EXAM	0.00	56.25
0101	134308	05/20/24	661	YEAGER SUPPLY INC	1026200000001000	610	PARTS	0.00	159.56
TOTAL	CASH ACCOUNT							0.00	626,805.40
TOTAL	FUND							0.00	626,805.40

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	14209	05/20/24	7562	CLARK SERVICE GROUP	5131000001020000	432	SERVICE	0.00	226.87
0101	14210	05/20/24	1476	DT LLC	5131000001020000	610.06	RAIN JACKET	0.00	44.30
0101	14210	05/20/24	1476	DT LLC	5131000002050000	610.06	RAIN JACKET	0.00	44.30
0101	14210	05/20/24	1476	DT LLC	5131000003080000	610.06	RAIN JACKET	0.00	44.30
TOTAL CHECK								0.00	132.90
0101	14211	05/20/24	4939	MNC INC	5131000003080000	635	DONUTS	0.00	121.20
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000002050000	610	DETERGENT MS	0.00	48.00
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000003080000	610	DETERGENT HS	0.00	48.00
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000001020000	610	DETERGENT ELEM	0.00	96.00
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000002050000	610.05	MS WAREWASH	0.00	304.50
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000003080000	610.05	HS WAREWASH	0.00	304.50
0101	14212	05/20/24	5382	FOOD SAFETY SOLUTIO	5131000001020000	610.05	ELEM WAREWASH	0.00	504.00
TOTAL CHECK								0.00	1,305.00
0101	14213	05/20/24	7936	GOLD STAR FOODS INC	5131000001020000	633.01		0.00	293.28
0101	14213	05/20/24	7936	GOLD STAR FOODS INC	5131000000005000	633.01		0.00	156.00
TOTAL CHECK								0.00	449.28
0101	14214	05/20/24	5009	HERSHEY CREAMERY CO	5131000001020000	630		0.00	533.44
0101	14214	05/20/24	5009	HERSHEY CREAMERY CO	5131000002050000	630		0.00	295.68
0101	14214	05/20/24	5009	HERSHEY CREAMERY CO	5131000003080000	630		0.00	146.40
TOTAL CHECK								0.00	975.52
0101	14215	05/20/24	2091	JTM PROVISIONS INC	5131000000005000	630	FOOD	0.00	1,138.74
0101	14216	05/20/24	9999	LEO-FIELDS, REBECCA	51	0480	STUDENT REFUND	0.00	58.10
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	55.50
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	59.20
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	112.85
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	122.50
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	129.40
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	137.50
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	150.45
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	152.30
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	161.50
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	74.20
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	79.75
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	80.30
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	91.35
0101	14217	05/20/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	92.50
TOTAL CHECK								0.00	1,499.30
0101	14218	05/20/24	8462	KRISTINE M NOEL	5131000001020000	610.06	PERS REIMB UNIFORM	0.00	108.90
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000001020000	610	SOUFFLE CUPS	0.00	166.50
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	HAIR NET/PLATES	0.00	195.99
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000003080000	610	FOOD TRAYS/FOIL PAN	0.00	262.34
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000001020000	610	GLOVES/PAN GRABBER	0.00	311.75

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	PAPER CUPS/GLOVES	0.00	322.56
0101	14219	05/20/24	1470	SINGER EQUIPMENT CO	5131000003080000	610	SPORKS/PAN LINERS	0.00	577.53
TOTAL CHECK								0.00	1,836.67
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	301.12
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	316.72
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	324.91
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	348.53
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	353.12
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	374.44
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	554.20
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	570.42
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	142.45
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	428.52
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	459.37
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	506.79
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	514.48
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	126.85
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	119.23
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	63.43
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	190.07
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	205.88
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	206.29
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	214.45
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	158.46
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	218.64
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	221.89
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	233.80
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	246.06
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	246.27
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	253.29
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	267.12
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	269.30
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	269.30
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	285.11
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	285.31
0101	14221	05/20/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	111.05
TOTAL CHECK								0.00	9,386.87
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000000005000	630		0.00	218.24
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	1,057.73
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000000005000	630		0.00	411.48
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000003080000	635		0.00	900.15
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000002050000	635		0.00	1,130.30
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	1,629.52
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	1,805.07
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000000005000	630		0.00	1,946.86
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	2,180.71
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	2,939.18
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	3,315.20
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	3,596.53
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	3,798.82

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	5,891.05
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	5,961.33
0101	14222	05/20/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	6,455.34
TOTAL CHECK								0.00	43,237.51
0101	14223	05/20/24	4929	PATRICIA A WAYBRIGH	5131000001020000	610.06	PERS REIMB UNIFORM	0.00	29.99
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000001020000	580	PERS REIMB MILEAGE	0.00	13.11
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000002050000	580	PERS REIMB MILEAGE	0.00	13.11
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000003080000	580	PERS REIMB MILEAGE	0.00	13.11
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000001020000	580	PERS REIMB MILEAGE	0.00	16.68
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000002050000	580	PERS REIMB MILEAGE	0.00	16.68
0101	14224	05/20/24	8154	KAREN K ZIPPRICK	5131000003080000	580	PERS REIMB MILEAGE	0.00	16.69
TOTAL CHECK								0.00	89.38
TOTAL CASH ACCOUNT								0.00	60,596.23
TOTAL FUND								0.00	60,596.23
TOTAL REPORT								0.00	727,873.55

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FUND - 10 - GENERAL FUND

CASH	ACCT	CHECK	NO	ISSUE	DT	VENDOR	NAME	BUDGET	UNIT	ACCNT	----DESCRIPTION----	SALES	TAX	AMOUNT
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1022500003080000	610		VARIETY LIBRARY BOO	0.00		757.82
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100002050750	610		TCL 65" SMART TV	0.00		399.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100002050750	610		USX FULL MOTION TV	0.00		39.98
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1023800003080000	610		ROYAL BLUE DRAW STR	0.00		62.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10236000000001000	640		THE ANXIOUS GENERAT	0.00		298.35
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100002050000	610		AFMAT ELECTRIC PENC	0.00		24.39
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1026200003080000	610		STEM CASTER WHEELS	0.00		51.76
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001021750	438		LUXOR TABLET CHARGI	0.00		338.44
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10266000000000000	610		LAMINATING POUCHES	0.00		31.56
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10266000000000000	610		BADGE HOLE PUNCH PL	0.00		14.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10262000000001000	610		OEM SHAFT AND TUBE	0.00		158.56
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10266000000000000	610		HANDICAP VINYL STIC	0.00		182.16
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001021750	610		PERLEGear ROLLING T	0.00		99.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001021750	610		TCL 65" SMART TV	0.00		399.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1023800003080000	610			0.00		17.74
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001023000	610			0.00		24.40
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10236000000001000	610		AGEE ORDER	0.00		48.58
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100002050151	610		EARBUD HEADPHONES	0.00		39.95
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10325000000000550	610		AWARDS AND GIFT BOX	0.00		89.88
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10325000000000550	610		ESTIMATED SHIPPING/	0.00		10.55
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1032100003080524	610		GRADUATION CORDS, W	0.00		73.44
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1012210001020000	610		IPAD SCREEN PROTECT	0.00		36.08
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1026200002050000	610		VERTICAL FILE CABIN	0.00		15.90
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100003080750	650		SANDISK 4TB EXTREME	0.00		288.60
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100003080750	650		HP P500 500GB USB	0.00		722.55
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011105201020000	640		ESSENTIALS OF ASSES	0.00		440.55
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		IF DA VINCI PAINTED	0.00		16.69
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		IF MONTE PAINTED A	0.00		9.95
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		IF PICASSO PAINTED	0.00		8.96
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		THE ARTS: VISUAL EN	0.00		19.60
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		WE ARE ARTISTS	0.00		17.79
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		LIFE DOESN'T FRIGHT	0.00		15.79
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		JEAN-MICHAEL BASQUI	0.00		20.49
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		KEITH HARING: ART I	0.00		29.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001020122	640		NOT JUST A DOT BOOK	0.00		16.95
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100001023750	438		LENOVO IDEACENTRE A	0.00		454.76
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011105201020000	640		THE READING COMPREH	0.00		864.88
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10111000000000000	610		YELLOW HIGHLIGHTERS	0.00		111.02
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10111000000000000	610		FACIAL TISSUE	0.00		624.75
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	10111000000000000	610		EXPO DRY ERASE MARK	0.00		397.52
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1023800001022000	610		2024-2025 DAILY PLA	0.00		17.99
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1023800001022000	610		2024-2025 DAILY PLA	0.00		35.26
0101		134362		06/24/24	7100	AMAZON	CAPITAL SERV	1011100003080180	610		WEATHER PROOF LOCKB	0.00		17.09
TOTAL CHECK												0.00		7,348.67
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	1028340002050000	360		COACHING VALENTIN	0.00		300.00
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	10283400000001000	360		COACHING SHUMAN	0.00		300.00
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	1028340002050000	360		COACHING VALENTIN	0.00		300.00
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	10283400000001000	360		COACHING SHUMAM	0.00		300.00
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	1028340003080000	360		COACHING SCHMIDT	0.00		300.00
0101		134363		06/24/24	7788	1ST LIGHT	COACHING	1028340001020000	360		COACHING ELEM TEAM	0.00		500.00
TOTAL CHECK												0.00		2,000.00

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134364	06/24/24	2807	95 PERCENT GROUP IN	1011105201020000	640	SOUND WALL STARTER	0.00	1,548.00
0101	134364	06/24/24	2807	95 PERCENT GROUP IN	1011105201020000	640	ESTIMATED SHIPPING/	0.00	154.80
0101	134364	06/24/24	2807	95 PERCENT GROUP IN	1011105201020000	640	95 COMPREHENSION TA	0.00	79.30
0101	134364	06/24/24	2807	95 PERCENT GROUP IN	1011105201020000	640	95 COMPREHENSION GR	0.00	49.00
0101	134364	06/24/24	2807	95 PERCENT GROUP IN	1011105201020000	640	95 PHONICS DESKTOP	0.00	29.00
TOTAL CHECK								0.00	1,860.10
0101	134365	06/24/24	4991	ACCUWRITE FORMS AND	1032100003080508	610	LINK CREW FOLDERS	0.00	1,267.95
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1023800003080000	635	GRAD STAFF SNACKS	0.00	92.83
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1011100002050180	610	MS SCIENCE	0.00	249.57
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1011100002050122	610	CLASS PROJECT SPPLY	0.00	7.99
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1021200003080502	635	SAT TESTING BFAS	0.00	27.72
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	15.78
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED REINFORCERS	0.00	20.86
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	PAES STDNT INCENTIV	0.00	24.93
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED REINFORCERS	0.00	29.47
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED PAES OPEN HO	0.00	35.61
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED INCENTIVES H	0.00	35.96
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED INCENTIVES	0.00	41.75
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED INCENTIVES	0.00	44.40
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012330001020000	610	SPECED INCENTIVES	0.00	50.23
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1011100002250000	610	DEER TRIP	0.00	53.28
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1021200002050000	635	MS SUMMER SCHL SUPP	0.00	64.24
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012110001020000	610	ELEM SPECED INCENTI	0.00	70.24
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012110003080000	610	SPECED INCENTIVES	0.00	77.20
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1013410003080240	610	HS FCS	0.00	80.18
0101	134366	06/24/24	1458	AHOLD FINANCIAL SER	1012410003080000	610	SPECED PAES REINFOR	0.00	7.08
TOTAL CHECK								0.00	1,029.32
0101	134367	06/24/24	8169	ALL HANDS INTERPRET	1012210001020000	323	INTERPRETATION SVCS	0.00	4,951.55
0101	134368	06/24/24	86	JASON T AMBLER	1022710003080000	240	NATIONAL BOARD CERT	0.00	570.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	AMERICHEM SYNSHIELD	0.00	88.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	BOARDWALK CRISP/CLE	0.00	68.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN FRESH SCENT	0.00	388.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	IMPACT BOWL SWAP MO	0.00	94.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	LIFT-OFF #3 GRAFFIT	0.00	1,640.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN CLEAN BY PR	0.00	489.95
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN CLEAN BY PR	0.00	850.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN X-EFFECT LA	0.00	470.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	CLX-CORDLESS VACUUM	0.00	320.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN BIORENEW GL	0.00	660.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPM-XL GLOVES	0.00	55.30
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPM-LARGE GLOVES	0.00	158.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPM-LARGE GLOVES	0.00	158.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SPARTAN FOAMY IQ SO	0.00	1,704.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	MFM-BLUE MICROFIBER	0.00	112.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	MFM-GREEN MICROFIBE	0.00	108.00
0101	134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	MFM-RED MICROFIBER	0.00	108.00

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FUND - 10 - GENERAL FUND

CASH	ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	TOWEL ROLL TORK ADV	0.00	546.50
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	BATH TISSUE TORK UN	0.00	2,088.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	WAX CRAFT LINERS	0.00	206.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	CAN LINERS 30x37	0.00	229.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	CAN LINERS 40x48	0.00	1,048.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	CLX-CORDLESS VACUUM	0.00	178.50
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	AMERITECH FLOOR FIN	0.00	1,150.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	SURCHARGE	0.00	5.95
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200000000000	610	MISC CHARGE	0.00	20.95
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	CAN LINERS 40x48	0.00	1,965.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	FOAMY IQ SOAP	0.00	2,130.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	FLEXI-SHEEN RUBBER	0.00	880.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	AMERITECH LUMINESCE	0.00	1,047.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	SPARTAN CONSUME ENX	0.00	229.20
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	BOARDWALK 16" WHITE	0.00	210.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	SPARTAN CLEAN BY PE	0.00	392.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	AMERICO 16" RED BUF	0.00	167.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026300000000000	610	MISC CHARGE	0.00	5.95
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200003080000	442	JUNE RENTAL	0.00	190.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200003080000	442	JUNE RENTAL	0.00	375.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200001023000	442	JUNE RENTAL	0.00	375.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200003080000	442	JUNE RENTAL	0.00	570.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200003080000	442	JUNE RENTAL	0.00	570.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200002050000	442	JUNE RENTAL	0.00	570.00
0101		134369	06/24/24	2023	AMERICHEM INTERNATI	1026200001020000	442	JUNE RENTAL	0.00	500.00
TOTAL CHECK									0.00	23,120.30
0101		134370	06/24/24	7000	ARDEX LABORATORIES	1027400000002000	610.13	TRANSP SUPPLIES	0.00	234.71
0101		134371	06/24/24	4975	AWARDS & ENGRAVING	1011100003080121	610	ENGRAVED AWARD	0.00	140.00
0101		134372	06/24/24	217	BERKS COUNTY INTERM	1012310003080000	322	10/2023 TUITION	0.00	1,040.00
0101		134373	06/24/24	4610	BERKSHIRE SYSTEMS G	1026200000001000	430		0.00	157.00
0101		134374	06/24/24	524	BLICK ART MATERIALS	1011100001020122	610	ART MATERIALS	0.00	176.40
0101		134374	06/24/24	524	BLICK ART MATERIALS	1011100001020122	610	ART MATERIALS	0.00	6,433.11
TOTAL CHECK									0.00	6,609.51
0101		134375	06/24/24	1655	ALICIA M BOHN	1022710001023000	240	GRAD CLASS	0.00	1,065.00
0101		134376	06/24/24	8414	BRICK LANDSCAPING S	1026200000001000	414	MOW5/6 5/13 5/20 5/	0.00	660.00
0101		134376	06/24/24	8414	BRICK LANDSCAPING S	1026200000001000	430	WEED CONTROL	0.00	129.99
TOTAL CHECK									0.00	789.99
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSP PARTS	0.00	13.25
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	CREDIT	0.00	-97.01
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.16	EGR COOLER	0.00	1,225.25
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.16	EGR COOLER	0.00	1,273.25
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.15	TRANSP PARTS	0.00	221.61
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.14	TRANSP PARTS	0.00	82.71
0101		134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.15	TRANSP PARTS	0.00	951.05

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134377	06/24/24	1597	BRIGHTBILL BODY WOR	1027400000002000	610.22	TRANSP PARTS	0.00	1,045.83
TOTAL	CHECK							0.00	4,715.94
0101	134378	06/24/24	4134	BURKHOLDER'S MOTOR	1026200000000000	610	B&G INVENTORY	0.00	420.00
0101	134379	06/24/24	1487	CAROLINA BIOLOGICAL	1011100002050180	610	MS SCIENCE SUPPLY	0.00	187.88
0101	134380	06/24/24	6958	CASEY & KIRSCH PUBL	1011105201020000	640	EQUIPPED FOR READIN	0.00	700.00
0101	134381	06/24/24	317	CENTRAL DAUPHIN SCH	1012240003080000	323	SUPPORT SVCS	0.00	226.91
0101	134381	06/24/24	317	CENTRAL DAUPHIN SCH	1012240001020000	323	SUPPORT SVCS	0.00	226.91
TOTAL	CHECK							0.00	453.82
0101	134382	06/24/24	1766	CM REGENT RESOURCES	10	0469		0.00	2,073.54
0101	134382	06/24/24	1766	CM REGENT RESOURCES	10	0465		0.00	3,460.43
TOTAL	CHECK							0.00	5,533.97
0101	134383	06/24/24	393	COBLES BAIT & TACKL	1011100002250000	610	KENBROOK BAIT	0.00	425.31
0101	134384	06/24/24	7665	COLLEGE BOARD	1021200003080502	810	769 AP TESTS	0.00	68,106.00
0101	134385	06/24/24	5384	COLLIFLOWER	1027400000002000	610.14	TRANSP PARTS	0.00	642.24
0101	134385	06/24/24	5384	COLLIFLOWER	1027400000002000	610	TRANSP PARTS	0.00	25.26
TOTAL	CHECK							0.00	667.50
0101	134386	06/24/24	1755	COLT PLUMBING COMPA	1026200000001000	610	PARTS	0.00	19.15
0101	134386	06/24/24	1755	COLT PLUMBING COMPA	1026200000000000	610	B&G INVENTORY	0.00	413.48
TOTAL	CHECK							0.00	432.63
0101	134387	06/24/24	8241	OCCUPATIONAL HEALTH	1027200000002000	333	TRANSP PHYSICALS	0.00	236.00
0101	134387	06/24/24	8241	OCCUPATIONAL HEALTH	1027200000002000	333	TRANSP PHYSICALS	0.00	104.00
TOTAL	CHECK							0.00	340.00
0101	134388	06/24/24	6324	CONVERSATIONS INC	1028340000001000	360	COACHING WINSLOW	0.00	780.00
0101	134388	06/24/24	6324	CONVERSATIONS INC	1028340000001000	360	COACHING REIFSNYDER	0.00	780.00
0101	134388	06/24/24	6324	CONVERSATIONS INC	1028340001020000	360	COACHING FUNCK	0.00	390.00
TOTAL	CHECK							0.00	1,950.00
0101	134389	06/24/24	7941	CORNERSTONE TEAM SP	1032500000000550	610	GATORADE PERFORMANC	0.00	265.00
0101	134390	06/24/24	8334	CORY R HESS	1011100002250000	580	PERS REIMB MILEAGE	0.00	33.50
0101	134391	06/24/24	6664	CPLOA	1032500003000571	343	BOYS LAX SCRIMMAGE	0.00	2,047.50
0101	134392	06/24/24	4205	CUMBERLAND TRUCK EQ	1027400000002000	610.16	CREDIT	0.00	-122.40
0101	134392	06/24/24	4205	CUMBERLAND TRUCK EQ	1027400000002000	610.16	TRANSP PARTS	0.00	176.10
0101	134392	06/24/24	4205	CUMBERLAND TRUCK EQ	1027400000002000	610.16	PARTS	0.00	176.10
TOTAL	CHECK							0.00	229.80
0101	134393	06/24/24	8306	DAUPHIN COUNTY TREA	1023300000000000	330	R/E TAX QTR 1/24	0.00	303.40
0101	134394	06/24/24	2025	DAUPHIN ELECTRIC IN	1026200000000000	610	LIGHTING SUPPLIES	0.00	105.30

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	134394	06/24/24	2025	DAUPHIN ELECTRIC IN	1026200000001000	610	PARTS	0.00	121.10
0101	134394	06/24/24	2025	DAUPHIN ELECTRIC IN	1026200000001000	610	PARTS	0.00	96.00
0101	134394	06/24/24	2025	DAUPHIN ELECTRIC IN	1026200000001000	610	PARTS	0.00	75.21
0101	134394	06/24/24	2025	DAUPHIN ELECTRIC IN	1026200000000000	610	INSTALL LED FIXTURE	0.00	17,040.00
TOTAL	CHECK							0.00	17,437.61
0101	134395	06/24/24	8395	JESSICA M DAVIDSON	1022710001023000	240	GRAD CLASS	0.00	803.85
0101	134396	06/24/24	1131	TRACIE M DAWSON	1011100002050000	580	PERS REIMB MILEAGE	0.00	29.48
0101	134397	06/24/24	672	JUDD, JEFFREY R	1011100001020121	430	BOW REPAIRS	0.00	287.00
0101	134397	06/24/24	672	JUDD, JEFFREY R	1011100002050121	430	CELLO REPAIRS	0.00	615.00
TOTAL	CHECK							0.00	902.00
0101	134398	06/24/24	7139	MARY'S HEALTH AND F	1012110003080000	640	02/06/24-05/07/24	0.00	600.00
0101	134398	06/24/24	7139	MARY'S HEALTH AND F	1012110003080000	610	2/15/24-5/7/24 SPEC	0.00	675.00
TOTAL	CHECK							0.00	1,275.00
0101	134399	06/24/24	1476	DT LLC	1011100002050000	610	FITNESS T SHIRTS	0.00	266.70
0101	134399	06/24/24	1476	DT LLC	1011100002050000	610	FITNESS T SHIRTS	0.00	198.25
0101	134399	06/24/24	1476	DT LLC	1011100002050000	610	FITNESS T SHIRTS	0.00	199.66
TOTAL	CHECK							0.00	664.61
0101	134400	06/24/24	8014	ALEXANDRIA DECICCO	1023800001021000	635	PANERA STAFF LUNCH	0.00	87.82
0101	134400	06/24/24	8014	ALEXANDRIA DECICCO	1023800001022000	635	PANERA STAFF LUNCH	0.00	100.00
0101	134400	06/24/24	8014	ALEXANDRIA DECICCO	1022710001021000	240	GRAD CLASS	0.00	1,006.60
0101	134400	06/24/24	8014	ALEXANDRIA DECICCO	1022710001021000	240	GRAD STUDY	0.00	1,036.70
TOTAL	CHECK							0.00	2,231.12
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100003080000	635	TROJAN 10 BFAS	0.00	470.25
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1023800003080000	635	HS STAFF APPRECIATIO	0.00	705.94
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	10236000000001000	635	BOARD DINNER 5/13	0.00	69.58
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	10226000000000000	635	INDUCTION CELEBRATI	0.00	129.02
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100003080000	635	SR BFAS 5/21	0.00	1,358.32
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100003080000	635	SR AWARDS NIGHT	0.00	1,461.98
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100003080000	635	SENIOR DINNER	0.00	760.22
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100002450000	635	GETTYSBURG BAG LUNC	0.00	1,217.28
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	1011100003080000	635	LEMONADE STAND HS	0.00	319.71
0101	134401	06/24/24	2177	DERRY TWP SCHOOL DI	10236000000001000	635	BOARD DINNER	0.00	182.90
TOTAL	CHECK							0.00	6,675.20
0101	134402	06/24/24	7464	CARA A GARNER	1022718900000310	580	PERS REIMB LRP CONF	0.00	1,397.99
0101	134403	06/24/24	75	DSI MEDICAL SERVICE	10272000000002000	390	TRANSP	0.00	280.65
0101	134404	06/24/24	7769	EDUPOINT EDUCATIONA	10281800000000750	650	REMOTE SCHEDULE BRD	0.00	750.00
0101	134405	06/24/24	8099	EXECUTIVE PRINTING	1032100003080000	610	NEXUS JOURNALS	0.00	537.00
0101	134406	06/24/24	8303	FIELD LINING & PAIN	10263000000000000	414	PAINT FIELD LINES	0.00	1,212.50
0101	134407	06/24/24	7975	FLEETPRIDE TRUCK &	10274000000002000	610.14	TRANSPORTATION REPA	0.00	253.23

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	----DESCRIPTION----	SALES TAX	AMOUNT
0101	134407	06/24/24	7975	FLEETPRIDE TRUCK &	1027400000002000	610.22	TRANSP PARTS	0.00	121.62
TOTAL	CHECK							0.00	374.85
0101	134408	06/24/24	2212	FOLLETT CONTENT SOL	1022501911020000	640	LIBRARY BOOK ORDER-	0.00	112.43
0101	134408	06/24/24	2212	FOLLETT CONTENT SOL	1022500001020000	640	LIBRARY BOOKS FOR E	0.00	352.42
TOTAL	CHECK							0.00	464.85
0101	134409	06/24/24	7898	FOX MEDICAL CASE MA	1021400002050000	330	TRANSLATION SVCS	0.00	1,107.86
0101	134410	06/24/24	7907	NICHOLAS I FRANK	1022710003080000	240	GRAD CLASS	0.00	853.85
0101	134410	06/24/24	7907	NICHOLAS I FRANK	1022710003080000	240	GRAD CLASS	0.00	803.85
TOTAL	CHECK							0.00	1,657.70
0101	134411	06/24/24	5374	FREIGHTLINER OF HAR	1027400000002000	610.14	PARTS	0.00	513.08
0101	134412	06/24/24	1374	JENA L FUNCK	1023800001022000	635	LEADERSHP BFAST	0.00	49.74
0101	134413	06/24/24	8481	GABLE, QUENTIN	1011100003080121	329	GUEST PLAYER	0.00	150.00
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1011100003080000	610	AWARDS PRESENT FOLD	0.00	115.54
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1032500003000564	610	GIRL SFTBALL LETTER	0.00	46.18
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1032500003000567	610	BOY VBALL LETTERS	0.00	52.16
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1032500003000570	610	GIRL LAX LETTERS	0.00	54.67
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1023900003080000	550	2024 GRAD PROGRAMS	0.00	3,536.82
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1011100003080000	610	AWARDS FOLDER	0.00	122.04
0101	134414	06/24/24	6599	GALLAGHER PRINTING	1032500003000561	610	BOY TENNIS CERTIFIC	0.00	43.84
TOTAL	CHECK							0.00	3,971.25
0101	134415	06/24/24	8372	CAROLINE E GARNER	1022710001023000	240	GRAD CLASS	0.00	2,110.20
0101	134416	06/24/24	673	GDC IT SOLUTIONS	10211900000000750	650	AECIVE HIP SHAREPO	0.00	990.00
0101	134416	06/24/24	673	GDC IT SOLUTIONS	10281800000000750	766	VMWARE HOST REPLACE	0.00	76,582.29
0101	134416	06/24/24	673	GDC IT SOLUTIONS	10281800000000750	766	VMWARE HOST REPLACE	0.00	7,725.00
TOTAL	CHECK							0.00	85,297.29
0101	134417	06/24/24	748	GRAINGER INC	1026200002050000	610	MS LIBRARY	0.00	62.80
0101	134417	06/24/24	748	GRAINGER INC	1026200001023000	610	ECC WLKIN FREEZER	0.00	80.11
0101	134417	06/24/24	748	GRAINGER INC	10262000000001000	610	SHOP SUPPLIES	0.00	105.98
0101	134417	06/24/24	748	GRAINGER INC	10263000000000000	414	SPRINKLER CLEAN OUT	0.00	194.81
0101	134417	06/24/24	748	GRAINGER INC	1026200002050000	610	MS KITCHEN CART	0.00	160.20
0101	134417	06/24/24	748	GRAINGER INC	1026200002050000	610	MS LOCK BOX	0.00	47.99
0101	134417	06/24/24	748	GRAINGER INC	10262000000001000	610	GRANADA FREEZER	0.00	23.56
0101	134417	06/24/24	748	GRAINGER INC	1026200003080000	610	HS LOCKER RM FAN	0.00	268.35
0101	134417	06/24/24	748	GRAINGER INC	10262000000001000	610	ELECTRICAL SUPPLY	0.00	361.06
0101	134417	06/24/24	748	GRAINGER INC	1026200002050000	610	MS PARTS	0.00	26.60
0101	134417	06/24/24	748	GRAINGER INC	10262000000000000	430	UTV REPAIR	0.00	9.50
TOTAL	CHECK							0.00	1,340.96
0101	134418	06/24/24	4730	DENISE N GRUDI	1032500003000566	580	PERS REIMB MILEAGE	0.00	221.10
0101	134419	06/24/24	1127	MICHAEL V GUSTANTIN	1013600003080130	810	AWARDS	0.00	47.80

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134420	06/24/24	764	H & L TEAM SALES IN	1032500003000561	610.06	BOYS TENNIS SHIRTS	0.00	756.00
0101	134421	06/24/24	8248	HARKER-ROTH, KERRY	1011100002050121	329	STRING COACHING	0.00	300.00
0101	134422	06/24/24	7604	HCC LIFE INSURANCE	10	0463	LIFE INSURANCE	0.00	69,363.18
0101	134423	06/24/24	6883	HENISE TIRE SERVICE	1027400000002000	610.11	TRANS TIRES	0.00	331.94
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	ATHLETIC TAPE POROU	0.00	264.35
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	CONCO AC TAPE	0.00	57.73
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	COMPRESSIONETTE 3"X	0.00	49.26
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	COMPRESSIONETTE 5"X	0.00	62.89
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	HEAVY DUTY SUPER SE	0.00	83.34
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	HEEL & LACE PAD FOA	0.00	24.18
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	TURF TOE STRAP ADHE	0.00	36.34
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	POWERFLEX TAPE BLAC	0.00	177.50
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	CRITERION NON WOVEN	0.00	11.96
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	EMT TOOTHSAYER	0.00	28.16
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	WRIST STABILIZER	0.00	15.24
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	WRIST STABILIZER SM	0.00	15.24
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	ELASTIC BANDAGE DEL	0.00	6.37
0101	134424	06/24/24	803	HENRY SCHEIN INC	1032500000000550	610	ELASTIC BANDAGE DEL	0.00	9.13
TOTAL	CHECK							0.00	841.69
0101	134425	06/24/24	8266	HERSHEY MUSIC BOOST	1011100003080121	810	REIMB FESTIVAL REG	0.00	435.00
0101	134426	06/24/24	6194	HERSHEY TERMITE & P	10262000000001000	460	MONTHLY SERVICE 44	0.00	84.60
0101	134426	06/24/24	6194	HERSHEY TERMITE & P	10262000000000000	460	MONTHLY SERVICE	0.00	752.50
TOTAL	CHECK							0.00	837.10
0101	134427	06/24/24	8479	CHRISTOPHER T HETRI	1022710002050000	240	GRAD CLASS	0.00	1,500.00
0101	134427	06/24/24	8479	CHRISTOPHER T HETRI	1022710002050000	240	GRAD CLASS	0.00	1,760.00
TOTAL	CHECK							0.00	3,260.00
0101	134428	06/24/24	825	HIGH NOON BOOKS INC	1011100003080153	640	SPORTS ILLUSTRATED	0.00	34.00
0101	134428	06/24/24	825	HIGH NOON BOOKS INC	1011100003080153	640	DIFFERENTIATED CLAS	0.00	108.00
0101	134428	06/24/24	825	HIGH NOON BOOKS INC	1011100003080153	640	GODS AND GODDESSES	0.00	72.00
0101	134428	06/24/24	825	HIGH NOON BOOKS INC	1011100003080153	640	DIFFERENTIATED CLAS	0.00	135.00
0101	134428	06/24/24	825	HIGH NOON BOOKS INC	1011100003080153	640	ESTIMATED SHIPPING/	0.00	34.90
TOTAL	CHECK							0.00	383.90
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100001021750	448	EQUIPMENT LEASE	0.00	1,179.83
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100001022750	448	EQUIPMENT LEASE	0.00	1,179.83
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100001023750	448	EQUIPMENT LEASE	0.00	1,179.83
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100003080750	448	EQUIPMENT LEASE	0.00	1,310.92
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100002050750	448	EQUIPMENT LEASE	0.00	1,310.92
0101	134429	06/24/24	5828	HIGHER INFORMATION	10254000000001750	448	EQUIPMENT LEASE	0.00	393.28
0101	134429	06/24/24	5828	HIGHER INFORMATION	1011100001023750	448	EQUIPMENT LEASE	0.00	176.34
TOTAL	CHECK							0.00	6,730.95
0101	134430	06/24/24	8473	NIKOLE Y HOLLINS-SI	10283499400000000	360	COACHING DISTRICT S	0.00	800.00
0101	134430	06/24/24	8473	NIKOLE Y HOLLINS-SI	10283499400000000	360	COACHING INSTR TEAM	0.00	800.00

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134430	06/24/24	8473	NIKOLE Y HOLLINS-SI	1028349940000000	360	COACHING INSTR TEAM	0.00	800.00
TOTAL CHECK								0.00	2,400.00
0101	134431	06/24/24	6843	INNOVATIVE COACH LL	1032500003000561	580	BOYS TENNIS TRANSP	0.00	1,325.00
0101	134432	06/24/24	885	INSTRUMENTALIST	1011100003080121	610	CHORAL AWARDS	0.00	993.00
0101	134433	06/24/24	8123	J HUBLER LANDSCAPIN	1026300000000000	414	LATE SPRING FERTILI	0.00	7,321.95
0101	134433	06/24/24	8123	J HUBLER LANDSCAPIN	1026300000000000	414	JUNE SUMMER FERTILI	0.00	2,270.15
TOTAL CHECK								0.00	9,592.10
0101	134434	06/24/24	942	J W PEPPER & SON CO	1011100003080121	610	MUSIC SELECTION	0.00	29.99
0101	134435	06/24/24	8217	JENNIFER KOLISCAK	1022500002050000	640	PERS REIMB AMAZON	0.00	97.12
0101	134435	06/24/24	8217	JENNIFER KOLISCAK	1014900002050528	635	WEB PIZZA	0.00	158.91
TOTAL CHECK								0.00	256.03
0101	134436	06/24/24	924	JKM TRAINING INC	1026600000000000	390	SAFE CRISIS CERT	0.00	279.80
0101	134436	06/24/24	924	JKM TRAINING INC	1026600000000000	390	SAFE CRISIS RECERT	0.00	2,472.75
0101	134436	06/24/24	924	JKM TRAINING INC	1026600000000000	390	SAFE CRISIS TRAININ	0.00	359.70
TOTAL CHECK								0.00	3,112.25
0101	134437	06/24/24	8480	GABRIELLA M JOHNSON	1011100002250000	580	PERS REIMB MILEAGE	0.00	26.80
0101	134438	06/24/24	8354	SARAH E HARMER	1022710000000000	240	GRAD CLASS	0.00	2,118.10
0101	134439	06/24/24	954	KENBROOK BIBLE CAMP	1011100002250000	810	REMAINDER FEES	0.00	38,411.00
0101	134440	06/24/24	959	KEYSTONE SERVICE SY	1021190000000000	390	STUDENT ASSIT SVCS	0.00	432.00
0101	134441	06/24/24	971	KLICK LEWIS INC	1027400000002000	610.16	TRANSP PARTS	0.00	872.59
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	2,384.00
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	2,893.70
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	2,883.51
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	2,959.96
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	3,488.35
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	2,299.73
0101	134442	06/24/24	6455	KOPPY'S PROPANE INC	1027400000002000	623	PROPANE	0.00	1,638.65
TOTAL CHECK								0.00	18,547.90
0101	134443	06/24/24	1481	KURTZ BROTHERS INC	1011100000000000	610	BLUE STICKY NOTES	0.00	315.00
0101	134444	06/24/24	7999	JULIE W LAEDER	1022710002050000	240	GRAD CLASS	0.00	1,731.00
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1028180000000750	650	MICROSOFT EES RENEW	0.00	35,652.50
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1028180000000750	650	M365 A5 UNIFIED SUB	0.00	5,375.00
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1028180000000750	650	WIN SERVER DATACENT	0.00	1,190.40
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1028180000000750	650	WIN SERVER STANDARD	0.00	47.60
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1012250001020000	322	SPEECH LANG THRPY	0.00	384.00
0101	134445	06/24/24	1570	LANCASTER/LEBANON I	1024200001020000	322	OCCUPATIONAL THRPY	0.00	487.20
TOTAL CHECK								0.00	43,136.70

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134446	06/24/24	6272	LANGUAGE LINE SERVI	1011904711020153	329	TRANSLATION SVCS	0.00	296.66
0101	134447	06/24/24	7552	LARRY & ANTHONY FER	1023900003080000	610	DIPLOMAS W/ SEAL	0.00	1,129.68
0101	134448	06/24/24	5022	STACEY LATIMER	1011100002250000	580	PERS REIMB MILEAGE	0.00	46.90
0101	134449	06/24/24	994	LAWN & GOLF SUPPLY	1026300000000000	414	LINE PAINTER	0.00	106.98
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	SPEECH LANG THRPY	0.00	136.50
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	PHYSICAL THRPY	0.00	6.30
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	OCCPATATIONAL THRPY	0.00	81.20
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	PSYCHOLOGY	0.00	2.10
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	TRASPORTATION	0.00	30.60
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	SPEECH/LANG/HEARING	0.00	140.70
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	OCCUPATIONAL THRPY	0.00	93.80
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	PSYCHOLOGY	0.00	0.70
0101	134450	06/24/24	5717	LEADER SERVICES INC	1012900000000000	323	PHYSICAL THERAPY	0.00	8.40
TOTAL CHECK								0.00	500.30
0101	134451	06/24/24	5693	LEARNING FORWARD	1023600000001000	810	MBRSHP RENEW WINSLO	0.00	180.00
0101	134452	06/24/24	1897	LIVING UNLIMITED IN	1012908900000000	323	MUSIC LESSONS	0.00	825.00
0101	134453	06/24/24	7970	MAC-FAT LLC	1032500003000566	810	TIMING 4/9 & 4/16	0.00	1,700.00
0101	134454	06/24/24	2904	JEFFREY L MACKNEER	1032500003000566	580	PERS REIMB MILEAGE	0.00	252.86
0101	134454	06/24/24	2904	JEFFREY L MACKNEER	1023900003080000	610	TUX RENTAL	0.00	210.00
TOTAL CHECK								0.00	462.86
0101	134455	06/24/24	7655	APARNA MALIK	1021200003080000	610	CHOCOLATE GIFTS	0.00	24.09
0101	134456	06/24/24	8476	ROBERT MARTIN	1032500000000550	635	EOY PARTY	0.00	71.55
0101	134457	06/24/24	6121	VICTORIA L MASSE	1022710002050000	240	GRAD CLASS	0.00	1,620.00
0101	134458	06/24/24	8482	MATTHEW HUANG MAILM	1011100003080121	329	PERFORM WORKSHOP	0.00	200.00
0101	134459	06/24/24	1006	MEIER SUPPLY CO INC	1026200001023000	610	ECC HVAC	0.00	676.82
0101	134460	06/24/24	8461	KATHLEEN M MEMMI	1027200000002000	810	CDL CLASS B	0.00	27.50
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	44.20
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	48.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	48.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	54.60
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	73.20
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	73.20
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	OPEN PURCHASE ORDER	0.00	89.55
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	ROTO TUBA REPAIRS	0.00	250.93
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100001020121	610	MUSIC SELECTION	0.00	80.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	VIOLIN BOW REPAIRS	0.00	34.24

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0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100002050121	430	CELLO BOW REPLACEME	0.00	48.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	CELLO BOW REPAIR	0.00	48.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	430	CELLO BOW REPAIR	0.00	48.00
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	610	CORPMaster TENOR ST	0.00	47.40
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	610	BASS CLARINET REEDS	0.00	24.88
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100002050121	430	ROTO TUBA REPAIRS	0.00	27.30
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100002050121	430	FRENCH HORN REPAIRS	0.00	13.65
0101	134461	06/24/24	1579	MENCHEY MUSIC SERVI	1011100003080121	610	POLISH CLOTH/LOGO	0.00	20.00
TOTAL CHECK								0.00	1,073.15
0101	134462	06/24/24	10	MESSICK FARM EQUIPM	1026200000000000	610	KUBOTA MAINT PARTS	0.00	274.31
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	37.50
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	75.00
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	95.83
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	35.83
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	37.50
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	10.00
0101	134463	06/24/24	2929	MICHAEL, ELIZABETH	1012900000000000	329	SBAP IEP REVIEW	0.00	10.00
TOTAL CHECK								0.00	301.66
0101	134464	06/24/24	8156	MILE6 LLC	10281800000000750	650	WELLNESS SITE UPDAT	0.00	75.00
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.18	TRANSP PARTS	0.00	37.68
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.16	TRANSP PARTS	0.00	37.76
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.14	TRANSP PARTS	0.00	214.50
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10262000000000000	610	SUPPLIES	0.00	30.75
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10263000000000000	414	MOWER PARTS	0.00	19.98
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.22	TRANSPORTATION PART	0.00	15.98
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.18	TRANSPORTATION PART	0.00	28.26
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610	TRANSP WASHER FLUID	0.00	21.54
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10274000000002000	610.22	TRANSPORTATION PART	0.00	22.98
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10263000000000000	414	TRACTOR MAINTENANCE	0.00	22.10
0101	134465	06/24/24	1599	MILLER & BIXLER AUT	10263000000000000	414	LINE PAINTER	0.00	13.29
TOTAL CHECK								0.00	464.82
0101	134466	06/24/24	4089	MILLER FLOORING COM	1026200003080000	430	CLEAN HS GYM FLOORS	0.00	7,965.00
0101	134466	06/24/24	4089	MILLER FLOORING COM	1026200002050000	430	CLEAN MS GYM FLOORS	0.00	6,650.00
0101	134466	06/24/24	4089	MILLER FLOORING COM	1026200001020000	430	CLEAN ECC GYM FLOOR	0.00	4,155.00
TOTAL CHECK								0.00	18,770.00
0101	134467	06/24/24	1478	MILTON HERSHEY SCHO	10262000000004000	810	FNDRS PARK UTILITIE	0.00	252.67
0101	134468	06/24/24	6854	MARIA A MROZOWSKI	1032100003080000	580	PERS REIMB MILEAGE	0.00	172.86
0101	134469	06/24/24	2019	NASP	10214000000000000	640	BEST PRACTICE IN SC	0.00	279.00
0101	134469	06/24/24	2019	NASP	10214000000000000	640	ESTIMATED SHIPPING/	0.00	25.00
TOTAL CHECK								0.00	304.00
0101	134470	06/24/24	366	NATL SCIENCE TEACHE	10226000000001000	810	MEMBERSHIP	0.00	130.00
0101	134471	06/24/24	7690	LINDSEY A NESTER	1022710003080000	240	GRAD CLASS	0.00	1,752.00

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION----	SALES TAX	AMOUNT
0101	134472	06/24/24	7508	NEW STORY LLC	1012330001020000	323	AUTISM SUPPORT	0.00	8,075.00
0101	134472	06/24/24	7508	NEW STORY LLC	1012330001020000	323	AUTISIM SUPPORT	0.00	8,925.00
TOTAL	CHECK							0.00	17,000.00
0101	134473	06/24/24	7968	OLYMPIAN ATHLETICS	1032500000000550	610	PLAQUES	0.00	230.00
0101	134474	06/24/24	2229	PA MEDIA GROUP	1032500000000550	810	AWARDS BANQUET	0.00	424.00
0101	134474	06/24/24	2229	PA MEDIA GROUP	1023100000000000	540	PUBLIC NOTICE	0.00	112.04
0101	134474	06/24/24	2229	PA MEDIA GROUP	1023100000000000	540	PUBLIC NOTICE	0.00	80.05
TOTAL	CHECK							0.00	616.09
0101	134475	06/24/24	147	PEARSON ASSESSMENTS	1024200000000310	610	DETAILED ASSESSMENT	0.00	218.36
0101	134476	06/24/24	3217	KIMBERLY M PEGHER	1011100002250000	580	PERS REIMB MILEAGE	0.00	46.90
0101	134477	06/24/24	26	PENN STATE HEALTH	1032500000000550	330	SPORTS PHYSICALS	0.00	1,622.66
0101	134478	06/24/24	689	PERMA-BOUND	1022500003080000	640	BOOKS FOR LIBRARY C	0.00	116.30
0101	134478	06/24/24	689	PERMA-BOUND	1022500002050000	640	VARIETY OF LIBRARY	0.00	88.60
0101	134478	06/24/24	689	PERMA-BOUND	1022500003080000	640	HS BOOK ORDER	0.00	1,353.46
0101	134478	06/24/24	689	PERMA-BOUND	1022500003080000	640	LIBRARY BOOK ORDER	0.00	302.36
TOTAL	CHECK							0.00	1,860.72
0101	134479	06/24/24	7580	PHILHAVEN	1014420003000000	323		0.00	448.00
0101	134480	06/24/24	1904	PITNEY BOWES SUPPLI	1011100000000000	610	RED INK CARTRIDGE	0.00	322.98
0101	134480	06/24/24	1904	PITNEY BOWES SUPPLI	1011100000000000	610	EZ SEAL HALF GALLON	0.00	76.49
TOTAL	CHECK							0.00	399.47
0101	134481	06/24/24	8279	POWER PRO EQUIPMENT	1026300000000000	414	PARTS	0.00	557.98
0101	134481	06/24/24	8279	POWER PRO EQUIPMENT	1026300000000000	610	WEED WACKER/SUPPLIE	0.00	607.85
TOTAL	CHECK							0.00	1,165.83
0101	134482	06/24/24	7922	PSX INC	1026603601020703	610	ELEMENTARY AND ECC	0.00	8,450.00
0101	134483	06/24/24	1050	PSYCHOLOGICAL ASSES	10214000000000750	650	10992-IC BRIEF PARE	0.00	307.50
0101	134483	06/24/24	1050	PSYCHOLOGICAL ASSES	10214000000000750	650	10993-II BRIEF 2 PA	0.00	427.50
TOTAL	CHECK							0.00	735.00
0101	134484	06/24/24	1075	R F FAGER CO	1026200000001000	610	SHOP INVENTORY	0.00	169.94
0101	134485	06/24/24	5071	R L CLARKE ENTERPRI	1026200001020000	610		0.00	695.30
0101	134486	06/24/24	1138	RESILITE SPORTS PRO	1032500000000550	610	CLASSIC MAT	0.00	17,213.20
0101	134486	06/24/24	1138	RESILITE SPORTS PRO	1032500000000550	610	SHIPPING	0.00	976.19
TOTAL	CHECK							0.00	18,189.39
0101	134487	06/24/24	8419	ROSE TREE MEDIA SCH	1012330003080000	323	APRIL/MAY 2024	0.00	8,241.06
0101	134488	06/24/24	5683	ERIN M ROSENSTEEL	1012900000000000	580	PERS REIMB MILEAGE	0.00	107.20
0101	134488	06/24/24	5683	ERIN M ROSENSTEEL	1022710003080000	240	GRAD CLASS	0.00	210.00

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CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
TOTAL CHECK								0.00	317.20
0101	134489	06/24/24	8468	RUIZ, STEPHANIE	1021400002050000	330	SPEECH LANG EVAL	0.00	1,125.00
0101	134490	06/24/24	1692	SCHAEGLER YESCO DIS	1026200002050000	610		0.00	101.90
0101	134490	06/24/24	1692	SCHAEGLER YESCO DIS	1026200003080000	610	HS HVAC REPAIRS	0.00	235.10
TOTAL CHECK								0.00	337.00
0101	134491	06/24/24	6089	KIRSTEN E SCHEURICH	1028340000001310	580	PERS REIMB LRP CONF	0.00	1,294.36
0101	134492	06/24/24	6961	LINDSEY A SCHMIDT	1023800003080000	635	DONUTS	0.00	201.00
0101	134493	06/24/24	1694	SHERWIN WILLIAMS CO	1026200002050000	610	MS 4 SQUARE	0.00	59.56
0101	134493	06/24/24	1694	SHERWIN WILLIAMS CO	1026200003080000	610	HS SUPPLIES	0.00	37.69
TOTAL CHECK								0.00	97.25
0101	134494	06/24/24	7128	LEANNE N SHOEMAKER	1022710000000310	580	PERS REIMB LRP CONF	0.00	486.34
0101	134495	06/24/24	3846	TERESA L SHUEY	1028360000001750	580	PERS REIMB MILEAGE	0.00	27.47
0101	134496	06/24/24	1745	JASON M SIBBACH	1014900003080516	580	PERS REIMB PARKING	0.00	24.00
0101	134497	06/24/24	7388	VICTORIA E SMITH	1013600003080130	580	PERS REIMB MILEAGE	0.00	70.35
0101	134498	06/24/24	7804	SPECIALIZED EDUCATI	1014420003000000	323	ALT ED SLOTS	0.00	5,652.00
0101	134498	06/24/24	7804	SPECIALIZED EDUCATI	1012310003080000	323	SPECED SLOTS	0.00	6,624.00
TOTAL CHECK								0.00	12,276.00
0101	134499	06/24/24	1499	SPORTSMANS INC	1032500003000564	610	BASES	0.00	183.50
0101	134499	06/24/24	1499	SPORTSMANS INC	1032500003000570	610	LAX BALLS	0.00	93.87
0101	134499	06/24/24	1499	SPORTSMANS INC	1032500003000571	610	LAX BALLS	0.00	93.88
TOTAL CHECK								0.00	371.25
0101	134500	06/24/24	6914	SPORTSMAN'S RECONDI	1032500003000558	430	FTBALL EQUIPMENT	0.00	11,893.90
0101	134501	06/24/24	2221	KEVIN E STOVER	1011100002050260	610	SAW BLADES	0.00	18.02
0101	134502	06/24/24	7775	SUBURBAN PROPANE LP	1026200000000000	627	CREDIT	0.00	-41.72
0101	134502	06/24/24	7775	SUBURBAN PROPANE LP	1026200000000000	627	PROPANE	0.00	84.18
TOTAL CHECK								0.00	42.46
0101	134503	06/24/24	4039	TALLEY PETROLEUM EN	1026200000000000	627	GASOLINE	0.00	1,432.77
0101	134503	06/24/24	4039	TALLEY PETROLEUM EN	1026200000000000	627	GASOLINE	0.00	1,059.82
TOTAL CHECK								0.00	2,492.59
0101	134504	06/24/24	8100	TMX COMPLIANCE LLC	1023600000001000	650	TMX PLATFORM	0.00	5,200.00
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	627	DIESEL	0.00	3,923.04
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	626	GASOLINE	0.00	1,403.02
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	610.20	PARTS/SUPPLY	0.00	5.58
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	627.01	ADMIN FEE	0.00	79.89
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	626	GASOLINE	0.00	1,550.08

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0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	627	DIESEL	0.00	3,800.59
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	627.01	ADMIN FEES	0.00	80.26
0101	134505	06/24/24	1540	TOWNSHIP OF DERRY	1027400000002000	610.20	EMISSIONS TEST	0.00	3.14
TOTAL	CHECK							0.00	10,845.60
0101	134506	06/24/24	1652	TRANE COMPANY INC	1026200000001000	610		0.00	52.02
0101	134507	06/24/24	7026	TREASURER OF FREDER	1023100000001000	810	R/E TAX MD	0.00	17.34
0101	134508	06/24/24	5325	TWIN VALLEY SCHOOL	1014420003000000	323	TUITION	0.00	81.79
0101	134509	06/24/24	6355	ERICK VALENTIN	1011100002250000	580	PERS REIMB MILEAGE	0.00	104.52
0101	134510	06/24/24	8274	VENTRIS LEARNING LL	1011105201020000	640	UFLI FOUNDATIONS	0.00	840.00
0101	134510	06/24/24	8274	VENTRIS LEARNING LL	1011105201020000	640	ESTIMATED SHIPPING/	0.00	20.00
0101	134510	06/24/24	8274	VENTRIS LEARNING LL	1011105201020000	640	UFLI FOUNDATIONS	0.00	70.00
0101	134510	06/24/24	8274	VENTRIS LEARNING LL	1011105201020000	640	ESTIMATED SHIPPING/	0.00	20.00
TOTAL	CHECK							0.00	950.00
0101	134511	06/24/24	9999	VESELL, HILARY	1023800003080000	810	HISTORY RECORD	0.00	23.25
0101	134512	06/24/24	6417	VISTA ADULT SERVICE	1012330003080000	323	SUPPORT EMPLOY SVCS	0.00	8,308.50
0101	134513	06/24/24	1363	VISTA SCHOOL INC	1012330001020000	323	REG SCHOOL YR TUITI	0.00	6,467.86
0101	134513	06/24/24	1363	VISTA SCHOOL INC	1012330001020000	323	EXT YEAR TUITION	0.00	9,203.46
0101	134513	06/24/24	1363	VISTA SCHOOL INC	1012330003080000	323	EXT YEAR TUITION	0.00	9,203.46
TOTAL	CHECK							0.00	24,874.78
0101	134514	06/24/24	8466	VOWEL VALLEY, LLC	1011105201020000	610	BUNDLE OF 24 SHEETS	0.00	1,656.00
0101	134514	06/24/24	8466	VOWEL VALLEY, LLC	1011105201020000	610	BUNDLE OF 24 MAGNET	0.00	3,300.00
0101	134514	06/24/24	8466	VOWEL VALLEY, LLC	1011105201020000	610	ESTIMATED SHIPPING/	0.00	315.00
TOTAL	CHECK							0.00	5,271.00
0101	134515	06/24/24	7463	VULNERABILITY SOLUT	1026603600000703	390	CONSULTING SERVICES	0.00	13,500.00
0101	134516	06/24/24	1371	WALTERS SERVICES IN	1027200000002000	424	FEB 2024 HOLDING TA	0.00	1,453.50
0101	134516	06/24/24	1371	WALTERS SERVICES IN	1027200000002000	424	JAN 2023 HOLDING TA	0.00	1,530.00
TOTAL	CHECK							0.00	2,983.50
0101	134517	06/24/24	824	WAYNESBORO AREA SCH	1012410003080000	323	TUITION JAN-FEB 202	0.00	3,933.12
0101	134518	06/24/24	8460	KAYLA A WENGER	1022710001022000	240	GRAD CLASS	0.00	1,958.00
0101	134518	06/24/24	8460	KAYLA A WENGER	1022710001022000	240	GRAD CLASS	0.00	1,958.00
TOTAL	CHECK							0.00	3,916.00
0101	134519	06/24/24	8000	KIMBERLY M WEST	1032500003000555	610	CHEER MUSIC	0.00	264.00
0101	134519	06/24/24	8000	KIMBERLY M WEST	1032500003000555	810	PIAA REGISTRATIONS	0.00	225.00
TOTAL	CHECK							0.00	489.00
0101	134520	06/24/24	7641	WESTERN PA SCHOOL F	1027200000002000	513.05	TRANSPORTATION SVCS	0.00	850.00
0101	134520	06/24/24	7641	WESTERN PA SCHOOL F	1027200000002000	513.05	TRANSPORTATION	0.00	850.00
TOTAL	CHECK							0.00	1,700.00

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FUND - 10 - GENERAL FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	134521	06/24/24	1480	WESTERN PSYCHOLOGIC	1021400000000750	650	W-608AP25 SRS-2 SCH	0.00	375.00
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200002050000	610	PARTS	0.00	12.95
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200001020000	610	ELEM PARTS	0.00	69.27
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200003080000	610	HS SINK	0.00	32.27
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200003080000	610	HS BUS CORAL PRKING	0.00	65.64
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200000000000	610	MAINT VEHICLE REPAI	0.00	17.58
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200000001000	610	PARTS	0.00	14.79
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1026200003080000	610	HS BUS CORAL PRKNG	0.00	29.95
0101	134522	06/24/24	1520	WILHELM'S HARDWARE	1027400000002000	610	SUPPLIES	0.00	51.06
TOTAL CHECK								0.00	293.51
0101	134523	06/24/24	8459	AMY L WOLFE	1022710003080000	240	GRAD CLASS	0.00	1,620.00
0101	134524	06/24/24	3939	YAZINSKI DMD, RICHA	1024400001020000	390	DENTAL EXAMS/SUPPLI	0.00	175.00
0101	134525	06/24/24	1780	YELLOW BREECHES EDU	1012310003080000	323	TUITION MAY 24	0.00	7,833.00
0101	134526	06/24/24	7744	ZOOM VIDEO COMMUNIC	1028180000000750	650	5/11/24-5/10-25	0.00	23,749.00
TOTAL CASH ACCOUNT								0.00	715,936.91
TOTAL FUND								0.00	715,936.91

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FUND - 29.2 - MS ACTIVITY FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	457	06/24/24	6594	BAR FITNESS SERVICE	29.2	0496.73	TREADMILL	0.00	1,695.00
0101	458	06/24/24	2177	DERRY TWP SCHOOL DI	29.2	0496.73	8 GR FLD TRP LUNCHE	0.00	31.63
TOTAL CASH ACCOUNT								0.00	1,726.63
TOTAL FUND								0.00	1,726.63

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14228	06/24/24	7100	AMAZON CAPITAL SERV	5131000000005000	610	PAPER SHREDDER	0.00	342.04
0101	14228	06/24/24	7100	AMAZON CAPITAL SERV	5131000001020000	610	WATER COOLER SPIGOT	0.00	32.37
0101	14228	06/24/24	7100	AMAZON CAPITAL SERV	5131000002050000	610	STAR BURST SIGNS	0.00	15.90
0101	14228	06/24/24	7100	AMAZON CAPITAL SERV	5131000000005000	610	COMMAND POSTER STRI	0.00	38.24
TOTAL	CHECK							0.00	428.55
0101	14229	06/24/24	7657	AMERICAN BOTTLING C	5131000003080000	630		0.00	75.00
0101	14230	06/24/24	9999	ANDERSON, SUSAN	51	0480	STUDENT REFUND	0.00	39.00
0101	14231	06/24/24	9999	BECK, LISA	51	0480	STUDENT REFUND	0.00	25.50
0101	14232	06/24/24	9999	BERRA, AMY	51	0480	STUDENT REFUND	0.00	62.35
0101	14233	06/24/24	9999	BLACK, REBECCA	51	0480	STUDENT REFUND	0.00	46.40
0101	14234	06/24/24	9999	BOYLE, PATRICIA	51	0480	STUDENT REFUND	0.00	18.90
0101	14235	06/24/24	9999	BRENNER, DEANNA	51	0480	STUDENT REFUND	0.00	29.00
0101	14236	06/24/24	9999	BRENNER, DEANNA	51	0480	STUDENT REFUND	0.00	22.60
0101	14237	06/24/24	9999	BROCKMAN, WENDY	51	0480	STUDENT REFUND	0.00	20.30
0101	14238	06/24/24	9999	BU, TIANSHI	51	0480	STUDENT REFUND	0.00	63.60
0101	14239	06/24/24	9999	CENTRELLA, CARA	51	0480	STUDENT REFUND	0.00	49.85
0101	14240	06/24/24	9999	CONFER, LISA	51	0480	STUDENT REFUND	0.00	55.85
0101	14241	06/24/24	9999	CONNOR, ELIZABETH	51	0480	STUDENT REFUND	0.00	38.30
0101	14242	06/24/24	9999	DALTO, LISA	51	0480	STUDENT REFUND	0.00	38.25
0101	14243	06/24/24	4939	MNC INC	5131000003080000	635	DONUTS	0.00	282.80
0101	14244	06/24/24	9999	DO, HOA	51	0480	STUDENT REFUND	0.00	145.45
0101	14245	06/24/24	5382	FOOD SAFETY SOLUTIO	5131000003080000	610	DETERGENT	0.00	48.00
0101	14245	06/24/24	5382	FOOD SAFETY SOLUTIO	5131000001020000	610	DETERGENT	0.00	28.90
0101	14245	06/24/24	5382	FOOD SAFETY SOLUTIO	5131000002050000	610	DETERGENT	0.00	28.90
TOTAL	CHECK							0.00	105.80
0101	14246	06/24/24	8474	WANDA L HARRINGTON	5131000002050000	610.06	PERS REIMB UNIFORMS	0.00	104.78
0101	14247	06/24/24	5009	HERSHEY CREAMERY CO	5131000002050000	630		0.00	373.30
0101	14248	06/24/24	6215	HOAGEEZ LLC	5131000003080000	635		0.00	994.27
0101	14248	06/24/24	6215	HOAGEEZ LLC	5131000001020000	630		0.00	89.10
0101	14248	06/24/24	6215	HOAGEEZ LLC	5131000002050000	630		0.00	89.10
TOTAL	CHECK							0.00	1,172.47

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14249	06/24/24	9999	KOEGLER, DAWN	51	0480	STUDENT REFUND	0.00	57.25
0101	14250	06/24/24	9999	KONG, LAN	51	0480	STUDENT REFUND	0.00	91.05
0101	14251	06/24/24	9999	LENGLE, TINA	51	0480	STUDENT REFUND	0.00	56.80
0101	14252	06/24/24	9999	LIEBERT, MICHAEL	51	0480	STUDENT REFUND	0.00	90.00
0101	14253	06/24/24	9999	MEHAFFIE, KELLY	51	0480	STUDENT REFUND	0.00	55.80
0101	14254	06/24/24	9999	MILLER, AMANDA	51	0480	STUDENT REFUND	0.00	74.10
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000001020000	630		0.00	88.80
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	60.30
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	107.70
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	115.00
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000002050000	630		0.00	178.00
0101	14255	06/24/24	4557	MORABITO BAKING CO	5131000003080000	630		0.00	36.40
TOTAL CHECK								0.00	586.20
0101	14256	06/24/24	9999	MORITZ, TEENA	51	0480	STUDENT REFUND	0.00	37.60
0101	14257	06/24/24	9999	MOSS, HEIDI	51	0480	STUDENT REFUND	0.00	25.55
0101	14258	06/24/24	3403	PANERA BREAD COMPAN	5131000003080000	635	BAGELS/PASTRIES	0.00	169.90
0101	14258	06/24/24	3403	PANERA BREAD COMPAN	5131000003080000	635	BAGELS/PASTRIES	0.00	185.20
TOTAL CHECK								0.00	355.10
0101	14259	06/24/24	9999	PAUL, NICOLE	51	0480	STUDENT REFUND	0.00	67.80
0101	14260	06/24/24	9999	PEEPLES, ANNIE	51	0480	STUDENT REFUND	0.00	51.40
0101	14261	06/24/24	9999	PETULA, PATRICIA	51	0480	STUDENT REFUND	0.00	46.60
0101	14262	06/24/24	8475	THERESA D SEATON	5131000001020000	610.06	PERS REIMB UNIFORMS	0.00	120.00
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000001020000	610	GLOVES/PAN GRABBER	0.00	149.23
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	PLASTIC SPORK	0.00	82.50
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000003080000	610	FLOOR MATS	0.00	183.80
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000003080000	610	FOIL BAGS	0.00	1,209.94
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	BUN BAGS/SPORKS	0.00	715.79
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	FLOOR MATS	0.00	827.10
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000001020000	610	CUPS/GLOVES/TRAYS	0.00	906.25
0101	14263	06/24/24	1470	SINGER EQUIPMENT CO	5131000002050000	610	PLATES/GLOVES	0.00	194.75
TOTAL CHECK								0.00	4,269.36
0101	14264	06/24/24	9999	SPOTTS, MIHAELA	51	0480	STUDENT REFUND	0.00	24.05
0101	14265	06/24/24	9999	STAGLIANO, KELLY	51	0480	STUDENT REFUND	0.00	106.30
0101	14266	06/24/24	9999	STAGLIANO, KELLY	51	0480	STUDENT REFUND	0.00	66.95

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14267	06/24/24	9999	SUNDSTROM, JEFF	51	0480	STUDENT REFUND	0.00	24.30
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	46.88
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	93.76
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	155.80
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	156.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	156.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	156.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	171.56
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	171.76
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	196.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	391.80
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	452.24
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	358.88
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	546.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	187.12
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	233.80
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	234.20
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	249.36
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	265.12
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	280.48
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	283.12
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	296.44
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000002050000	630		0.00	312.00
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000003080000	630		0.00	319.80
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	327.36
0101	14269	06/24/24	1474	SWISS PREMIUM DAIRY	5131000001020000	630		0.00	343.12
TOTAL CHECK								0.00	6,384.60
0101	14270	06/24/24	5105	TASTY BRANDS LLC	5131000000005000	630		0.00	428.88
0101	14271	06/24/24	9999	THOMAS, RACHEL	51	0480	STUDENT REFUND	0.00	24.15
0101	14272	06/24/24	9999	UBERROTH, SHELBY	51	0480	STUDENT REFUND	0.00	4.15
0101	14273	06/24/24	9999	UBERROTH, SHELBY	51	0480	STUDENT REFUND	0.00	12.00
0101	14274	06/24/24	1328	UNITED REFRIGERATIO	5131000000005000	432	REPAIRS	0.00	344.63
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	185.00
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000000005000	630		0.00	1,523.88
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	1,566.93
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	1,694.48
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	1,884.81
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	2,017.78
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	2,070.79
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	2,178.68
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	2,240.41
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	2,246.33
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	2,251.93
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	635		0.00	2,701.44
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	3,561.32

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FUND - 51 - CAFETERIA FUND

CASH ACCT	CHECK NO	ISSUE DT	VENDOR	NAME	BUDGET UNIT	ACCNT	-----DESCRIPTION-----	SALES TAX	AMOUNT
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	3,561.32
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	3,965.85
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	5,584.13
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630		0.00	6,572.31
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	221.55
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000003080000	630		0.00	504.76
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000000005000	630		0.00	1,024.70
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630	CREDIT	0.00	-136.64
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630	CREDIT	0.00	-89.59
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000001020000	630	CREDIT	0.00	-29.06
0101	14276	06/24/24	1473	US FOODSERVICE INC	5131000002050000	630		0.00	178.04
TOTAL CHECK								0.00	47,481.15
0101	14277	06/24/24	9999	WALLACE, JENNIFER	51	0480	STUDENT REFUND	0.00	71.55
0101	14278	06/24/24	9999	YODER, RITA	51	0480	STUDENT REFUND	0.00	22.80
0101	14279	06/24/24	9999	ZIMMERMAN, STACY	51	0480	STUDENT REFUND	0.00	39.80
0101	14280	06/24/24	8154	KAREN K ZIPPRICK	5131000001020000	580	PERS REIMB MILEAGE	0.00	14.56
0101	14280	06/24/24	8154	KAREN K ZIPPRICK	5131000002050000	580	PERS REIMB MILEAGE	0.00	14.56
0101	14280	06/24/24	8154	KAREN K ZIPPRICK	5131000003080000	580	PERS REIMB MILEAGE	0.00	14.56
TOTAL CHECK								0.00	43.68
TOTAL CASH ACCOUNT								0.00	64,261.65
TOTAL FUND								0.00	64,261.65
TOTAL REPORT								0.00	781,925.19

SCHOOL PHYSICIAN OF RECORD AGREEMENT

This School Physician of Record Agreement ("Agreement") is entered into on July 1, 2024, ("Effective Date") between Pinnacle Health Medical Services ("PHMS"), for the provision of physician services through Dr. Denise Dhawan, practicing under the laws of the Commonwealth of Pennsylvania, with an office at 441 East Chocolate Avenue, Hershey, Pennsylvania, , hereinafter called "SCHOOL PHYSICIAN OF RECORD", and Derry Township School District ("SCHOOL DISTRICT"), each singularly a "Party," collectively the "Parties."

Recitals

- A. The SCHOOL DISTRICT is in need of certain physician services.
- B. PHMS employs DR. DENISE DHAWAN.
- C. SCHOOL DISTRICT desires to have DR. DENISE DHAWAN, through PHMS, serve as "SCHOOL DISTRICT'S PHYSICIAN OF RECORD" under the school health program by the Commonwealth of Pennsylvania.
- D. PHMS desires to provide the SCHOOL DISTRICT with a SCHOOL PHYSICIAN OF RECORD pursuant to the terms and conditions contained in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein and intending to be legally bound hereby, the Parties agree as follows:

- 1. The above Recitals are hereby incorporated in this Agreement by reference.
 - 2. During the term of this Agreement, DR. DENISE DHAWAN through PHMS shall serve as SCHOOL DISTRICT'S PHYSICIAN OF RECORD under the school health program mandated by the Commonwealth of Pennsylvania.
 - 3. During the term of this Agreement, SCHOOL PHYSICIAN OF RECORD and PHMS shall assure the following services:
 - a. Provide advice and consultation for health decisions of the SCHOOL DISTRICT.
 - b. Provide mandated health physicals as required by law.
 - c. Provide to SCHOOL DISTRICT a copy of the PHYSICIAN'S current certificate of liability insurance.
 - 4. Such services shall be provided by, or under the supervision or direction of the SCHOOL PHYSICIAN OF RECORD with the Derry Township School District Team Physician from time to time during the term of this Agreement.
 - 5. As compensation for the retention of services to be provided by the SCHOOL PHYSICIAN OF RECORD to this Agreement, SCHOOL DISTRICT shall pay to PHMS, a stipend of ONE THOUSAND FIVE HUNDRED (\$1,500.00) DOLLARS.
 - 6. As compensation for mandated physical exams performed by the SCHOOL PHYSICIAN OF RECORD, SCHOOL DISTRICT shall pay to PHMS a set rate of TWENTY-FIVE (\$25.00) DOLLARS per physical examination and FIVE (\$5.00) DOLLARS per re-certification.
 - 7. Notwithstanding the date of execution of this Agreement, this shall be effective July 1, 2024.
-

8. PHMS or SCHOOL DISTRICT may terminate this Agreement if the SCHOOL PHYSICIAN OF RECORD, or a suitable PHMS alternative, is unavailable to provide the services outlined in this Agreement. SCHOOL DISTRICT agrees to accept an alternative School Physician of Record offered by PHMS who is licensed in the Commonwealth of Pennsylvania to provide the clinical services outlined in this Agreement.
9. Unless otherwise terminated prior, this Agreement shall automatically terminate at midnight on June 30, 2025. Nothing in the Agreement shall be interpreted, construed or held to create any obligation on the part of SCHOOL PHYSICIAN OF RECORD or PHMS to provide medical services to any student or employee of SCHOOL DISTRICT after termination of this Agreement.
10. This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania.
11. This Agreement is for the benefit of the DISTRICT and PHMS only. The DISTRICT and PHMS are independent contractors vis-à-vis each other and this Agreement shall not constitute the formation of a partnership, joint venture, or any relationship other than that of independent contractors.

IN WITNESS WHEREOF, the Parties have set their hands and seals the day and year set forth below.

ATTEST: _____

SCHOOL PHYSICIAN OF
RECORD DR. DENISE DHAWAN

Signature

PINNACLE HEALTH MEDICAL SERVICES

Signature

ATTEST: _____

Title

ATTEST: Michelle Ague

DERRY TOWNSHIP SCHOOL DISTRICT

[Signature]

Signature

School Board President

Title

Derry Township School District
Resolution – budget transfers and GASB 54 compliance

Approval of year end budget transfers, and Fund Balance Commitments or Assignments according to Board Policy 625, and authorization for the Business Manager or designee to:

- 1) Make any adjusting budget transfers in connection with the audit
- 2) To place any remaining revenue or expenditure balances from the 2023-2024 budget into the General Fund or Capital Reserve Fund Balance, as may be appropriate, and
- 3) To commit fund balance amounts, which will be specified during the final accounting and audit process for the 2023-2024 year, as needed for the following purposes:
 - a. Future increases in retirement costs
 - b. Future increases in cost of health benefits
 - c. Future capital reserve projects

I certify that the foregoing is a true and correct copy of a resolution adopted by the Board of School Directors at a meeting thereof legally held on June 24, 2024.

DERRY TOWNSHIP SCHOOL DISTRICT

Dated: June 24, 2024



Board President



Board Secretary

DERRY TOWNSHIP SCHOOL DISTRICT

Approval to Participate in Cooperative Purchasing Agreements **School Year 2024-25**

Pennsylvania Statute 62, chapter 19, on Procurement allows for cooperative purchasing among local public procurement units or external procurement activities. Section 1902 of the statute specifically states that public procurement units may participate in joint purchasing agreements as long as the participants are in agreement. The statute defines local public procurement units as “a political subdivision, public authority, educational or an area of government, which expends public funds for the procurement of supplies, services, and construction.” The District falls within the definition of a local public procurement unit. Approval of the use of these contracts, in no way, precludes obtaining quotes and negotiating price which assures fiscal responsibility for the district.

Per Board Policy 613 Cooperative Purchasing, the Business Manager may negotiate appropriate cooperative purchase agreements with other political subdivisions, in accordance with law and Board Policy. All such agreements must conform to relevant provisions of the School Code.

A list of cooperatives shall be presented to the Board for approval annually. The participating contracting body(s) may specify:

1. Categories of equipment or supplies to be purchased;
2. Manner of advertising for bids and awarding contracts;
3. Method of payment by each participating party; and/or
4. Other matters deemed necessary to carry out the purposes of the agreement.

- Collaborative Purchasing Solutions (Lancaster-Lebanon IU 13)
- Costars and PA State Contract
- PEPPM
- U.S. Communities
- KPN (Keystone Purchasing Network – Central Susquehanna Intermediate Unit)
- OMNIA Partners (includes US Communities and National IPA)
- Sourcwell (includes NJPA, National Joint Powers Association)
- Cooperative Purchasing Opportunities offered by other Intermediate Units
- TIPS Cooperative
- BuyBoard Purchasing Cooperative
- General Services, PA Federal Surplus Property



RENEWAL NOTIFICATION FOR CLIENTS RENEWING JULY-DECEMBER 2024

Client Name:

Derry Township School District

Client Number(s):

067945

The following are proposed modifications to the Master Health Services Agreement upon renewal. Plan changes, other than definitions or items designed to clarify an existing benefit or process will be implemented upon receipt of your expressed written authorization. We are providing you with this information so that you may evaluate and decide if these changes are beneficial to your plan.

This Renewal Notification applies to the following medical products unless otherwise noted within:

*PPO BlueSM
EPO BlueSM
Community Blue Premier FlexSM PPO
Community Blue Premier Flex EPO
Community Blue Premier Flex Total Health
Lehigh Valley Flex Blue PPO
Choice Blue PPO*

*PPO Blue Total Health
EPO Blue Total Health
Classic Blue[®] Traditional
Classic Blue CMM
Performance Blue PPO
Performance Flex Blue PPO
Performance Blue EPO
Performance Flex Blue EPO*

Please take a moment and accept or decline each option available to you. Your client manager will help implement these provisions for your organization.

CONTRACTUAL CHANGES - EFFECTIVE ACROSS THE BOARD

Member Website URL

The website URL for the member web experience has been updated. The new URL is myhighmark.com, replacing www.highmarkblueshield.com. MyHighmark.com provides members with a seamless and simple experience with one entry point and single-sign-on functionality for many target programs and resources.

Well360 Diabetes Care Management Program, powered by Onduo

For clients that provide the Well360 Diabetes Care Management Program, Highmark is enhancing the program to include members age 13+ diagnosed with type 1 diabetes. The Diabetes Care Management program previously only covered members diagnosed with type 2 diabetes. This enhancement is added at no cost. The effective date is early 2024.

CONTRACTUAL CHANGE - EFFECTIVE UPON RENEWAL

Mental-Well Being

Effective January 1, 2024, upon renewal, Highmark will expand its core clinical model to include an expanded Mental Well-being solution. Highmark's Well-being solution is powered by Spring Health. All self-funded clients will receive this expanded benefit. If you do not wish to add this benefit, you will be required to opt out.

Mental Well-Being solution will include a 24/7 virtual care program with tools, coaching and clinical mental health support for members 6 years of age or older. The proprietary assessment within the solution screens for 10+ mental health conditions,

Highmark Blue Shield is an independent licensee of the Blue Cross Blue Shield Association.



RENEWAL NOTIFICATION FOR CLIENTS RENEWING JULY-DECEMBER 2024

including anxiety, depression, eating disorders, ADHD, postpartum depression, substance use disorders, and more. With Spring Health, we also gain a network of over 6,000 providers nationwide.

The solution includes:

- Access to Spring Health services via web and smartphone application
- On-demand, digitally proven Cognitive Behavioral Therapy (CBT) exercises (called Moments)
- Self-guided content and educational resources
- Dedicated Care Navigator
- Health and Wellness coaching appointments
- Clinical provider appointments (therapy, meditation management, psychiatry)
- 24/7 Crisis Line
- Referral Concierge
- Care Support (8a-11p EST)

The cost of the program is a \$45.00 per engaged participant per month fee billed via claims, which includes a 20% per claim administrative fee. This fee provides access to the Health and Wellness Coaching, Care Navigation, provider appointments, Crisis Line Support and digital tools. If the member is not engaged during a particular month, no fee applies. Virtual and in-person therapy as well as medication management are based on the existing fee schedules and member cost share will apply.

Virtual Physical Care Program Expansion (Pelvic Health Program)

Effective July 1, 2024, Virtual Physical Care Program powered by Sword is expanding to include a unique program that addresses pelvic health pain/disorders for females ages 18 and older. Self-funded clients with the Virtual Physical Care Program, as of January 1, 2024 through July 1, 2024, will have the Pelvic Health Program added effective July 1, 2024. Clients renewing the Virtual Physical Care Program effective August 1, 2024 through December 1, 2024 will have the Pelvic Health Program activated upon their renewal month.

MODIFICATIONS – EFFECTIVE WITH YOUR AUTHORIZATION UPON RENEWAL

Annual Limitations

- Total Maximum Out-of-Pocket Limitation (TMOOP):
 - The annual limitation on in-network out-of-pocket maximums for non-qualified plans increases to \$9,450 for self-only coverage and \$18,900 for family coverage in 2024.
 - The annual limitation on in-network out-of-pocket maximums for qualified high deductible plans increases to \$8,050 for self-only coverage and \$16,100 for family coverage in 2024.
- The minimum in-network deductible for qualified high deductible plans increases to \$1,600 for an individual and \$3,200 for a family in 2024.

Mental Health Parity

Highmark is taking steps in response to more stringent and granular review and enforcement of quantitative treatment limitation/financial responsibility (QTL/FR) rules under the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) by some state insurance examiners following the publication of standards developed by a National Association of Insurance Commissioners (NAIC) workgroup.

The following is a summary of the standards that are recommended:

- When outpatient mental health/substance abuse benefits apply a copayment, then any copayment applied to urgent care will be waived if the copayment is greater than the second lowest of the following services: (a) primary care physician visit; (b) therapies; (c) specialist visit; and (d) urgent care.
- No copayment will apply to diagnostic services prescribed for the treatment of mental health or substance abuse.
- Visit limits for physical medicine, occupational therapy, and speech therapy will not apply to therapy services for the treatment of a mental health or substance abuse diagnosis.
- When outpatient mental health/substance abuse benefits apply a copayment, then any copayment for physical medicine, occupational therapy, and speech therapy will be waived for the therapy service if the copayment is greater



RENEWAL NOTIFICATION

FOR CLIENTS RENEWING JULY-DECEMBER 2024

than the second lowest of the following services: (a) primary care physician visit; (b) therapies; (c) specialist visit; and (d) urgent care.

Preventive Care

- Diabetes Screening: Health Resources and Services Administration (HRSA) updated the Women's Health Screening Guidelines for pregnant women and postpartum women with history of gestational diabetes as follows: Screen for diabetes in pregnancy at first prenatal visit or at weeks 24-28 and after pregnancy in women with a history of gestational diabetes and no diagnosis of diabetes. Effective 1/1/2024.
- Hepatitis B Screening: The Centers for Disease Control and Prevention (CDC) has updated the screening recommendation from high-risk only to once per lifetime for all adults and high-risk screenings more often. Effective 1/1/2024.
- Breast Cancer Screenings: Following a screening mammogram, PA Act 1 requires the addition of one supplemental breast screening MRI or ultrasound every year for high risk. Cost impact is estimated at \$0.13 PMPM Effective 1/1/2024.
- Sexually Transmitted Disease (STD) Screenings: Bright Futures expanded the age range for a one-time general population check for HIV from 15-18 years to 15-21 years. Effective 1/1/2024.
- HIV prevention: select PrEP drugs for adults at risk for HIV infection now includes the antiretroviral therapy injection Apretude, which decreases the risk of acquiring HIV. Effective 7/1/2024.
- Hepatitis C Screening: the CDC has updated the guidelines to include screening for children ages 2 months or older (per MD recommendation) for infants and children exposed to Hepatitis C through the mother during pregnancy. Effective 7/1/ 2024.

Well360 Virtual Health - Enhanced

Effective January 1, 2024, the Well360 Virtual Health – Enhanced is a new service being offered in collaboration with our strategic partner, AmWell. The current Well360 Virtual Health offering is included in our ASO base administrative fee and includes both the Urgent Care and Behavioral Health practices. The new enhanced offering includes the additional practices of Virtual Primary Care, Women's Health, and Dermatology. The cost of adding this enhanced service is \$.65 PCPM. All services are offered as a bundled service.

Client Elections

Total Maximum Out-of-Pocket Limitation (TMOOP)

Specify Out-of-Pocket Maximums for benefits administered:

All Plans except Qualified High Deductible Plans:		
<input type="checkbox"/>	Option 1:	2024 Standard Selection – Total Maximum Out-of-Pocket with combined medical and prescription drug \$9,450 individual/\$18,900 family.
<input checked="" type="checkbox"/>	Option 2:	Other Selection – Total Maximum Out-of-Pocket with combined medical and prescription drug \$6,600 individual/ \$13,200 family (cannot exceed \$9,450 individual/\$18,900 family).
<input type="checkbox"/>	Option 3:	Selection for clients with Rx Carved Out – Total Maximum Out-of-Pocket – Medical Services only \$6,600 individual/\$13,200 family (combined with Rx cannot exceed \$9,450 individual/\$18,900 family).
Qualified High Deductible Health Plans:		
<input type="checkbox"/>	Option 1:	2024 Standard Selection – Total Maximum Out-of-Pocket with combined medical and Prescription Drug \$8,050 individual/\$16,100 family.



RENEWAL NOTIFICATION FOR CLIENTS RENEWING JULY-DECEMBER 2024

<input type="checkbox"/>	Option 2:	Other Selection – Total Maximum Out-of-Pocket with combined medical and prescription drug \$ _____ individual/\$ _____ family (cannot exceed \$8,050 individual/\$16,100 family).
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Preventive Care

NOTE: If you have a Standard or Enhanced Preventive Schedule these will automatically be added at the effective date. If you choose to decline these updates your Preventive Schedule will become customized. A customized schedule does not receive coverage updates automatically; they must be requested. By declining any of these options you are accepting removal of automatic updates.

Should you currently have a Customized Preventive Schedule, please indicate if you want to add these updates.

<input checked="" type="checkbox"/>	Yes, update Women's Health Screening Guidelines for pregnant women and postpartum women with history of gestational diabetes.
<input type="checkbox"/>	No, update Women's Health Screening Guidelines for pregnant women and postpartum women with history of gestational diabetes.
<input checked="" type="checkbox"/>	Yes, update Hepatitis B Screening recommendation from high-risk only to once per lifetime for all adults and high-risk screenings more often .
<input type="checkbox"/>	No, do not update Hepatitis B Screening recommendation from high-risk only to once per lifetime for all adults and high-risk screenings more often.
<input checked="" type="checkbox"/>	Yes, update to include PA Act 1 for breast cancer screenings.
<input type="checkbox"/>	No, do not update to include PA Act 1 for breast cancer screenings.
<input checked="" type="checkbox"/>	Yes, update Sexually Transmitted Disease (STD) screenings to expand the age range for a one-time general population check for HIV from 15-18 years to 15-21 years.
<input type="checkbox"/>	No, do not update Sexually Transmitted Disease (STD) screenings to expand the age range for a one-time general population check for HIV from 15-18 years to 15-21 years.
<input checked="" type="checkbox"/>	Yes, update to include the HIV infection prevention antiretroviral therapy injection Apretude.
<input type="checkbox"/>	No, do not update to include the HIV infection prevention antiretroviral therapy injection Apretude.
<input checked="" type="checkbox"/>	Yes, update the Hepatitis C screening ages to include screening for children ages 2 months or older for infants and children exposed to Hepatitis C through the mother during pregnancy.
<input type="checkbox"/>	No, do not update the Hepatitis C screening ages to include screening for children ages 2 months or older for infants and children exposed to Hepatitis C through the mother during pregnancy.



RENEWAL NOTIFICATION

FOR CLIENTS RENEWING
JULY-DECEMBER 2024

Mental Health Parity

- ☒ Yes, incorporate the appropriate benefit designs changes upon renewal when applicable.
- ☐ No, do not incorporate the appropriate benefit designs changes upon renewal.

Note: As the plan sponsor you determine the compliance of your medical plan. If determined that you do not wish to accept Highmark's standard MHP benefits, an executed indemnification document will be required. Under separate cover, correspondence will be sent to you with more detail. Your Client Manager is available to you to discuss in more detail.

Well360 Virtual Health - Enhanced

- ☐ Yes, add this program.
- ☒ No, do not add this program.

For your information, pricing updates may go into effect upon 2024 renewal, for electronic exchange of information (claim or eligibility files), prescription drug, and stop loss carve outs. Your Client Manager will review with you and advise if these changes are applicable.

The information in this renewal is for plans offered through Highmark Blue Shield.

Highmark Blue Shield is an independent licensee of the Blue Cross Blue Shield Association.



July 2024 Renewal

Sheryl Pursel
Derry Township School District
30 E Granada Ave
Hershey, PA 17033

Re: Client 67945

Dear Sheryl Pursel:

Thank you for being a valued Highmark Blue Shield customer. We appreciate the opportunity to provide the services you need, the value you want, and the service and support you expect.

As our administrative services agreement approaches its renewal date, we remain committed to our relationship. Our goal is to make your health care experience smoother, simpler and more convenient each year. We know that taking the right actions now will help to keep your employees healthy and productive and manage your costs. As your health partner, we look forward to continue working together to maximize your group's success.

For more than 80 years, the Blues have been an integral part of health care delivery and financing in the United States. The Blues have more programs, more providers and more experience in local care delivery transformation than our national competitors. It's no wonder nearly one in three Americans carry a Blue ID card.

As a leading Blue Plan, Highmark Blue Shield continues to bring innovative passion and visionary leadership to the most crucial problems and opportunities facing health care. Our evolving quality, value-based programs are improving care, reducing costs and, most importantly, saving lives.

The following features are already at work in your health plan. They encourage your employees to have better relationships with their primary care physicians and to take an active role in their health, thus contributing to a healthier, more productive workforce.

True Performance – Highmark's foundational value based program launched in 2017. It's designed to help control your health plan spending by rewarding primary care physicians (PCPs) based on the affordability and quality of the care they provide.

To help PCPs improve patient outcomes and make care more affordable, we provide higher incentives when they follow the industry's best practices. We also provide extra reimbursement to reward them for making sure their patients get the right preventative care to keep them healthy. When doctors make sure their patients get the right care at the right time, this can cut down on unnecessary or preventable costs, like redundant testing, ER visits, or hospital stays. Savings can add up to \$50 million each year. When PCPs are rewarded based on quality and cost, you know every dollar you spend goes toward the best, most cost-effective care.

Provider Discounts – Negotiated allowances with our network providers offer you and your employees substantial savings. And, it's easy to use our network providers because Highmark has the most extensive networks in Pennsylvania.

(Continued on back)

Prevention and Early Detection – Preventing or detecting problems before they become serious is important to managing health care costs. Highmark's award-winning Blues On Call program provides your employees with information and resources to make informed, appropriate care decisions. This can help to lower your group's health-related costs and increase productivity.

Highmark Blue Shield works hard to provide the highest quality plan designs at the best value. We can help you find the health care coverage solution that is right for your organization. Choose from a variety of familiar PPO Blue deductible options or combine a deductible with coinsurance or copayments to manage your costs. Or, consider one of our High Performance Network plans, which also offer a variety of cost-saving options.

If you currently have Blue Edge Dental or Blue Branded Vision, your renewal rates are included on the corresponding Renewal Acceptance Agreement. If you currently do not have either coverage (or a subsidiary product), we can help you find a dental or vision coverage that is right for your organization.

In response to the Patient Protection and Affordable Care Act (PPACA) legislation, there is a tax that may impact the cost of providing coverage to your employees. This tax is as follows:

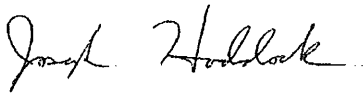
- Patient-Centered Outcomes Research Institute (PCORI) Fees - Sponsors of self-insured plans (including Cost Plus) are required to pay the tax on their own behalf. This tax has been extended for 10 years, and continues to be in effect until plan years ending September 30, 2029. The amount due per life is subject to annual adjustment.

When considering changes to your health plan, you should consult with legal counsel to determine what amendments can be made without affecting any "grandfathered" status it may have under the Patient Protection and Affordable Care Act (PPACA) and the Health Care and Education Reconciliation Act (HCERA).

Thank you for the opportunity to serve you during the next contract year. We look forward to continuing our relationship with you. If you have any questions, please contact your Highmark Blue Shield Client Manager or your authorized Highmark Producer (broker).

Enclosed is your Renewal Acceptance Agreement that outlines the details of your renewal package.

Sincerely,



Joseph Haddock
Segment President - Eastern Pennsylvania

Enclosure

Renewal Acceptance Agreement

Client Name: Derry Township School District
Client Number: 67945
Renewal Period: July 01, 2024 through June 30, 2025

This Renewal Acceptance Agreement and each Supplement (Parts A and B, if applicable) to this Renewal Acceptance Agreement (collectively, the Renewal) represents our mutual understanding concerning fees and charges that will apply to our administrative services only agreement or claims-billed cost-plus insurance contract (Service Agreement) during the above Renewal Period.

The above named client (Group) understands and agrees that this Renewal supersedes and amends the relevant terms of our Service Agreement. Accordingly, the terms of this Renewal control over any conflicting terms in our Service Agreement.

The monthly administrative fees necessary to provide administrative services for the new contract year are as follows:

Choice Blue PPO -	
Group(s):	105659-25; -26
Administrative Fees Expressed as \$ per Contract Holder per Month	
Medical/Prescription Program	\$57.00
Producer Commission	\$0.00
Prescription Rebate	(\$79.79)
Total	(\$22.79)

Comments:

Choice Blue PPO \$ 400	
Group(s):	105659-27; -28; 105659-29; -30
Administrative Fees Expressed as \$ per Contract Holder per Month	
Medical/Prescription Program	\$57.00
Producer Commission	\$0.00
Prescription Rebate	(\$79.79)
Total	(\$22.79)

Comments:

Choice Blue PPO \$ 750	
Group(s):	105659-31; -32; -33; -34
Administrative Fees	
Expressed as \$ per Contract Holder per Month	
Medical/Prescription Program	\$57.00
Producer Commission	\$0.00
Prescription Rebate	(\$79.79)
Total	(\$22.79)

Comments:

Choice Blue PPO \$1000	
Group(s):	105659-35; -36
Administrative Fees	
Expressed as \$ per Contract Holder per Month	
Medical/Prescription Program	\$57.00
Producer Commission	\$0.00
Prescription Rebate	(\$79.79)
Total	(\$22.79)

Comments:

Group is aware the administrative fees include the following services:

- **Administrative:** account management team, network access, online directory, standard electronic communication materials, ID card, customer services/claims, internal appeals, administrative services, standard reporting, web/digital services, standard wellness services.
- **Communication:** open enrollment meetings, health fairs, wellness meetings, pre-printed marketing and open enrollment materials.
- **Health Management:** standard health management, maternity education & support program, standard radiology program, dedicated health advocate, radiation oncology authorization program and physical medicine authorization program.

By signing below, Group agrees to reimburse Highmark Blue Shield for taxes, fees and surcharges applicable to the Group and its plan(s) (Assessments). Group shall reimburse Highmark Blue Shield for the cost of such Assessments.

By signing below, Group agrees that whenever a recovery is achieved as a result of post-payment efforts of Highmark Blue Shield and/or its vendors, the Group will receive a credit against future paid claims costs in the amount of the recovery and subject to the percentage fee(s) set forth in Supplement A to this Renewal Acceptance Agreement. In instances where a general settlement has been reached, or recoveries are tied to the Highmark Blue Shield's entire book of business, then the entire recovered amounts shall be prorated and Group shall receive a credit against future paid claims costs on the basis of the prorated amounts, and subject to the applicable post-payment recovery fee. Such post-payment activities include, but are not limited to: Fraud, Waste and Abuse Reviews (provider and member); Facility Audits; Coordination of Benefits with Other Insurers; and Accident and Injury Insurer Liability.

By signing below, Group agrees that whenever a savings is achieved as a result of pre-payment efforts of Highmark Blue Shield and/or its vendors, the Group will be charged a percentage fee based on the reduction, as set forth in Supplement A to this Renewal Acceptance Agreement. Such pre-payment activities include, but are not limited to: Fraud, Waste and Abuse Reviews (provider and member); Prospective DRG Clinical Validation and Accuracy Reviews; Claim Coding Validation/Accuracy; and Claim Coding Integrity (medical record review).

Group acknowledges and agrees that it has had an opportunity to discuss applicable underwriting requirements with Highmark Blue Shield, and agrees to follow such requirements. Among other things, these requirements address:

- Minimum Stop-Loss Insurance Requirements (based on Group size);
- Employer and Employee Contribution Requirements; and
- Geographic and Location Offering requirements.

Highmark Blue Shield reserves the right to modify the monthly administrative fee if any of the following were to occur during the above Renewal Period:

- The Group does not enroll a minimum of 51 contractholders;
- The Group requests additional effective dates;
- Enrollment in Group's plan increases or decreases by more than ten percent (10%) from the level of the base experience period when the administrative fees were determined;

Highmark Blue Shield reserves the right to modify pharmacy rebates if:

- Demographics or gender distribution of membership in the Group's plan changes materially;
- The Group materially changes the formulary or benefit design of its plan;
- The Group elects to use on-site clinics or pharmacies to dispense covered drugs to members;
- Rebates materially decrease with respect to Group's plan because brand drugs prematurely move off-patent or an authorized generic is launched unexpectedly;
- Group implements a program or other initiative (either directly or through a third party) that has the effect of changing the mix of drugs subject to the pharmacy rebate.

Group acknowledges that Services provided under the terms of our Service Agreement (as modified by this Renewal Acceptance Agreement and Supplements) may require direct telephonic outreach to members of your plan (for example, certain wellness services). In this regard, and by signing below, Group represents and warrants that member telephone numbers have been and will be obtained from members as part of the plan enrollment process or via direct member portal entry and not through a lookup service or other third party.

Highmark Blue Shield reserves the right to revise or void performance, trend and other guarantees made part of our Service Agreement if a public health emergency is declared affecting (A) one or more Highmark service locations; and/or (B) geographic area(s) of work or residence of ten (10%) or more individuals enrolled in Group's plan. The preceding shall apply whether a public health emergency is declared by the World Health Organization or by an agency or instrumentality of government in the relevant geographic area(s) having such authority.

Group agrees that it has had the opportunity to review and consider each of the fees described in the Renewal Acceptance Agreement and its accompanying Supplements A and B (if applicable) and discuss the same with a Highmark Blue Shield Client Manager.

For Service Agreements with Out-of-Area/Out-of-Network Pricing Services. Group acknowledges and agrees that the database utilized for pricing non-contracted provider claims outside of the Highmark service area will change to one that references a percentage of Medicare pricing as a basis for payment except for non-participating provider claims paid at the recognized amount or out-of-network rate under the No Surprises Act. As is currently the case, database pricing will apply when negotiations with out-of-area non-contracted providers are unsuccessful. The change to "reference-based" pricing will apply to contract years beginning on and after January 1, 2022. Group further acknowledges and agrees that use of reference-based pricing may increase the savings upon which our agreed-upon percentage of savings fee is based.

Please have an authorized representative (Group Representative) accept the terms and conditions of this Renewal Acceptance Agreement to your client manager or your authorized producer (broker) not later than 30 days prior to the effective date of this Renewal.

Group understands and agrees that the Renewal offer, and Group's acceptance of the Renewal offer, requires that a Group Representative sign each of the Renewal Acceptance Agreement, Supplement (Part A) and Supplement (Part B) (if applicable). Signing some, but not all of the components of the Renewal, does not constitute Group acceptance. Alternatively, Group agrees that the initial payment of administrative fees and/or claims cost for the Renewal Period described in the Renewal shall be deemed Group's complete acceptance of all of the terms and conditions of all components of the Renewal.

Accepted by: _____


(Signature of Authorized Group Representative)

Title: President, School Board

Email Address: _____

Date: June 24, 2024

SUPPLEMENT (PART A) TO RENEWAL ACCEPTANCE AGREEMENT

Client Name: Derry Township School District

Client Number: 067945

Renewal Period: 07/01/2024 to 06/30/2025

This Supplement (Part A) to the Renewal Acceptance Agreement includes additional agreed upon terms concerning services and fees that will apply to our administrative services only agreement or claims-billed cost plus insurance contract (Service Agreement) during the above Renewal Period.

The above named group (Client) understands and agrees that the Renewal Acceptance Agreement, Supplement (Part A) and Supplement (Part B) (collectively, the Renewal) supersedes and amends the relevant terms of our Service Agreement. Accordingly, the terms of the Renewal control over any conflicting terms in our Service Agreement.

Please have an authorized representative (Group Representative) accept the terms and conditions of this Supplement (Part A) by signing and returning this Supplement (Part A) to your client manager or your authorized producer (broker) not later than 30 days prior to the effective date of this Renewal.

Standard Provisions Category

Post-payment Recovery Services	Percentage Fee Based on Recovery
Post-payment recovery services include, but are not limited to: Fraud, Waste and Abuse Reviews (provider and member); Facility Audits; Coordination of Benefits with other insurers	35%
Subrogation	35%
Claims Services	Percentage Fee
Pre-payment claims services include, but are not limited to: Fraud, Waste and Abuse Reviews (provider and member); Claim Coding Validation/Accuracy; Claim Coding Integrity (medical record review) and Pre-Claim Audit Services	35%
	Percentage Fee Based on the Difference Between Billed Charges and Priced Amount
Claim Pricing (Non-Contracted Provider Claims Negotiation Services)	40%
Claim Pricing (Non-Contracted Provider Claims Database Pricing)	40%
Claim Pricing (Par-Wrap Services)	40%
Claim Pricing (Non-Contracted Provider Claims) Fee Cap	\$50K Cap
	Additional Fees
Percent of Administrative Fee for Post-Termination Services (fee in effect immediately prior to termination)	100%
External Review (Independent Review Organization)	\$1000 per appeal

Claims Reprocessing	\$25 per claim
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Unless otherwise stated in a proposal document signed by Group (Proposal), Group further agrees that the fees set forth in this Supplement (Part A) shall, likewise, apply to agreed-upon programs and services set forth in the Proposal for the period set forth therein.

Group understands and agrees that the Renewal offer, and Group's acceptance of the Renewal, requires that a Group Representative sign each of the Renewal Acceptance Agreement, Supplement (Part A) and Supplement (Part B) (if applicable). Signing some, but not all of the components of the Renewal, does not constitute Group acceptance. Alternatively, Group agrees that the initial payment of administrative fees and/or claims cost for the Renewal Period described in the Renewal shall be deemed Group's complete acceptance of all of the terms and conditions of all components of the Renewal.

Accepted by:



(Signature of Group Representative)

Title: School Board President

Email Address: spursel@hershey.k12.pa.us

Date: 6/24/24

SUPPLEMENT (PART B) TO RENEWAL ACCEPTANCE AGREEMENT

Client Name: Derry Township School District

Client Number: 067945

Renewal Period: 07/01/2024 to 06/30/2025

This Supplement (Part B) to the Renewal Acceptance Agreement includes additional agreed upon terms concerning services and fees that will apply to our administrative services only agreement or claims billed cost-plus insurance contract (Service Agreement) during the Renewal Period.

The above named client (Group) understands and agrees that the Renewal Acceptance Agreement, Supplement (Part A) and Supplement (Part B) (collectively, the Renewal) supercedes and amends all of our Service Agreements. Accordingly the terms of this Supplement control over any conflicting terms in our Service Agreement.

Please have an authorized representative (Group Representative) accept the terms and conditions of this Supplement (Part B) by signing and returning this Supplement (Part B) to your client manager or your authorized producer (broker) not later than 30 days prior to the effective date of this Renewal.

Additional Products and Services Provided Summary by Product:

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Integrated Care Team (ICT)	Integrated Care Team (ICT)	\$400.00				Per Case	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Stop Loss Carve Out	500 to 999 contracts	\$4.00				PCPM	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Radiology Cardiac Imaging UM	Radiology Cardiac Image UM - Opt In	\$20.00				Per auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Mental Well-being	Mental Well-being					Per Claims Billed	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Network Value Fee	Network Value fee 0/.50	\$0.00		\$0	0.25%	Per shared savings achieved	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Copay Armor	Copay Armor - Opt In	\$0.00			25%	Per shared savings achieved	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Utilization Management (UM)	Utilization Management In Pat	\$110.00				Per auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Utilization Management (UM)	Utilization Management Out Pat	\$110.00				Per auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Site of Care Drug Management Program	Site of Care Drug Management - Opt In	\$200.00				Per infusion; billed quarterly	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Kidney Care Management	Kidney Care Management - Opt out	\$0.00				PEMPM	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
Lab Gen Test UM	Lab Gen Test UM – Opt Out	\$0.00				Per Auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
RadOnc UM	RadOnc UM – Opt Out	\$0.00				Per Auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Product / Services		Sold Price (\$)	Pay Loc	Cap	Percent (%)	Frequency	Effective Begin Date	Effective End Date
MSK UM	MSK UM – Opt Out	\$0.00				Per Auth	07/01/2024	06/30/2025
Applies to Groups: 105659,-25,-26,-27,-28,-29,-30,-31,-32,-33,-34,-35,-36								

Credits Summary by Credit:

Unless otherwise stated in a proposal document signed by Group (Proposal), Group further agrees that the fees set forth in this Supplement (Part B) shall, likewise, apply to agreed upon programs and services set forth in the Proposal for the period set forth therein.

Group understands and agrees that the Renewal offer, and Group's acceptance of the Renewal, requires that a Group Representative sign each of the Renewal Acceptance Agreement, Supplement (Part A) and Supplement (Part B). Signing some, but not all of the components of the Renewal, does not constitute Group acceptance. Alternatively, that notwithstanding anything in this Renewal Acceptance Agreement, Supplement (Part A) or Supplement (Part B) to the contrary, Group agrees that the initial payment of administrative fees and/or claims cost for the Renewal Period described in the Renewal shall be deemed Group's complete acceptance of all of the terms and conditions of all components of the Renewal.

Accepted by: 
(Signature of Group Representative)

Title: School Board President

Email Address: spursel@herschey.k12.pa.us

Date: 6/24/24

Sheryl Pursel
Derry Township School District
30 East Granada Avenue
Hershey, PA 17033

February 19, 2024

Re: Derry Township School District– Agreement for Administrative and Claims Payment Services
Renewal for 2024; Group Number(s): 891832-000/099; Account Number: 0201714

Dear Ms. Pursel:

Thank you for allowing United Concordia to continue to serve as the dental plan administrator for Derry Township School District. We appreciate the opportunity to provide the employees and their dependents with access to quality, affordable dental care. Please allow this letter to serve as formal notification of the renewal of the Administrative Services Only (ASO) dental contract with United Concordia for the policy period of July 1, 2024 through June 30, 2025. Effective July 1, 2024, the group's administrative fees and budget rates for the United Concordia dental program are as follows:

Current ASO Fee*: \$4.85	Renewal ASO Fee: \$4.85
Current Network Access Fee**: 5%	Renewal Network Access Fee: 5%

Rate Tier	Current Budget Rates***	Proposed Budget Rates***
Employee Only	\$26.58	\$27.10
Employee & One Adult	\$78.16	\$79.69
Employee & Child(ren)	\$78.16	\$79.69
Employee & Family	\$78.16	\$79.69

Enclosed is a copy of the Renewal Acceptance Form. Please have an authorized representative sign and either scan a copy to my e-mail or mail it to the address below. If a signed copy of the form is not received by United Concordia, payment of any of the above fees will constitute acceptance of the United Concordia dental program and all related fees.

Should you have any questions regarding the above rates/fees, please contact me at 717-571-7597. United Concordia Companies, Inc. looks forward to continuing as the dental benefits administrator of choice.

Sincerely,

Kevin Reagan
Senior Client Manager
United Concordia Dental
Attachment: Acceptance Form

*The ASO Fee is per contract per month.

**The network access fee is the percentage of the difference between the amount billed by a participating provider for a covered service and the allowed amount negotiated by the Claims Administrator with the participating provider for the covered service.

***ASO and network access fees are guaranteed for one year; we review budget rates annually.

Derry Township School District
United Concordia Renewal Acceptance Form

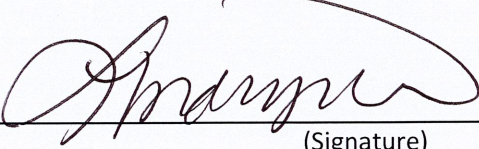
Funding: Administrative Services Only (ASO)
Policy Period: July 1, 2024 through June 30, 2025
Group Number(s): 891832-000/099

ASO Fee*	\$4.85
Network Access Fee**	5%

Budget Rates for Self Funded Plans

Rate Tier	Renewal Rates***
Employee Only	\$27.10
Employee & One Adult	\$79.69
Employee & Child(ren)	\$79.69
Employee & Family	\$79.69

I, Lindsay K. Drew, as a duly authorized representative of the above named, do hereby accept the monthly fees as noted above.


(Signature)

June 24, 2024
(Date)

*The parties intend that this renewal may be accepted by email.
A signature transmitted by email will be as effective as an original signature for the purpose of acceptance.*

*The ASO Fee is per contract per month.

**The network access fee is the percentage of the difference between the amount billed by a participating provider for a covered service and the allowed amount negotiated by the Claims Administrator with the participating provider for the covered service.

***ASO and network access fees are guaranteed for one year; we review budget rates



**TOKIO MARINE
HCC**

FMC Tower, 2929 Walnut Street, Suite 1500
Philadelphia, PA 19104
Telephone:
Facsimile:

Underwriter:
Darby Slater
dslater@tmhcc.com

Marketing Representative:
Tony Minnich
tminnich@tmhcc.com

Stop Loss Proposal for: Derry Township School District

Effective Dates: 07/01/2024 – 06/30/2025

Quoted for: Pareto Captive Services, LLC

Proposal Number: 1-1321717

FINAL

INDIVIDUAL STOP LOSS COVERAGE

Plan Description		Option 1	Option 2
Coverages		Medical, Rx Card	Medical, Rx Card
Annual Specific Deductible per Individual		\$ 170,000	\$ 200,000
Except for			
Matthews, Karen		\$ 175,000	
Contract Basis		24/12	24/12
Lifetime Reimbursement		Unlimited	Unlimited
Maximum Contract Period Reimbursement		Unlimited	Unlimited
Rate(s) Per Month	Enrollment		
Single	167	\$ 89.09	\$ 75.08
Family	249	\$ 291.44	\$ 255.16
Estimated Contract Period Premium		\$ 1,049,359	\$ 912,878
Rate(s) include Commission of		0.00 %	0.00 %

OVERALL COST SUMMARY

Plan Description		Option 1	Option 2
Total Annual Fixed Cost		\$ 1,049,359	\$ 912,878
Maximum Annual Liability		\$ 1,049,359	\$ 912,878



**TOKIO MARINE
HCC**

FMC Tower, 2929 Walnut Street, Suite 1500
Philadelphia, PA 19104
Telephone:
Facsimile:

Underwriter:
Darby Slater
dslater@tmhcc.com

Marketing Representative:
Tony Minnich
tminnich@tmhcc.com

Stop Loss Proposal for: Derry Township School District

Effective Dates: 07/01/2024 – 06/30/2025

Quoted for: Pareto Captive Services, LLC

Proposal Number: 1-1321717

FINAL

PROPOSAL QUALIFICATIONS AND CONTINGENCIES

Quoted terms and conditions are subject to possible revision based upon the receipt and review of the following Items:

- Paid claims experience to the effective date including monthly enrollment figures.
- Updated shock loss information to the date HCC Life Insurance Company has been notified that the proposal has been accepted by the group. Shock loss information should include injuries, illnesses, diseases, diagnoses, or other losses of the type, which are reasonably likely to result in a significant medical expense claim or disability, regardless of current claim dollar amount. In addition, shock loss information should include any claimant that has incurred claim dollars in excess of \$ 85,000, regardless of diagnosis. Information is also needed on any claims processed and unpaid, pending or denied for any reason. Please refer to our Trigger Diagnosis Disclosure List, which provides examples of some, but not all, types of shock losses.
- We will accept final shock loss disclosure no earlier than 30 days prior to the effective date.
- Please see the attached exhibit for plan document assumptions and requirements.
- Should a large claim(s) (non-reoccurring and/or ongoing) become known and the initial date of service is prior to the date of written acceptance by HCC Life Insurance Company, we reserve the right to re-underwrite the case.
- In the event there is a greater than 10% change in enrollment between the submitted initial enrollment data and the final enrollment data, rates and factors may be recalculated.
- Minimum participation level of 75% of all eligible employees is required.
- Our proposal includes Simultaneous Funding on Specific reimbursements.
- Rates and Factors are calculated with the plan anniversary date and the Policy effective date as the same date. Should the plan anniversary date and the stop loss policy effective date be different we reserve the right to modify our rates, factors and terms of coverage to accommodate for additional liabilities incurred by the plan due to state and/or federal mandates during the stop loss contract period.
- Quote rated with retirees covered. Quote rated with no COBRAs being covered based on the census information provided.
- The Specific Contract Period Reimbursement Maximum for any individual with a Separate Individual Specific Deductible will be reduced by the difference between the Separate Individual Specific Deductible and the Policyholder's Specific Deductible.
- Quote Rated with the following UR Vendors: Blue Shield (Highmark).
- Quote Rated with the following Cost Containment Program(s): Blue Shield (Highmark), Blue Card.

Quote is valid for 30 days from date of issue by Pareto Captive Services. This renewal proposal is contingent upon final approval from Pareto Captive Services.

This proposal does NOT assume enrollment in Pareto ICM

▪



**TOKIO MARINE
HCC**

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Philadelphia, PA 19104
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Darby Slater
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Marketing Representative:
Tony Minnich
tminnich@tmhcc.com

Stop Loss Proposal for: Derry Township School District

Effective Dates: 07/01/2024 – 06/30/2025

Quoted for: Pareto Captive Services, LLC

Proposal Number: 1-1321717

FINAL

Initial the selected proposal option (please initial both the selected Specific and Aggregate option):

Option	Specific	Aggregate
1	\$ 170,000 / 24/12 <i>WS</i>	
2	\$ 200,000 / 24/12	

The Premium and Aggregate Deductibles are based on the data submitted. Any inaccurate or incomplete data submitted may require changes at final underwriting. We will not be bound by any typographical errors or omissions contained herein.

Date: June 24, 2024

By:

Agent of Record or Administrator

This proposal expires if applications are not requested before the valid through date.

Plan Document Assumptions

This proposal for stop loss coverage assumes the Plan Sponsor's plan document includes certain standard clauses, exclusions and limitations. These exclusions and limitations include, but are not limited to the following:

1. **Eligibility, Effective Date, and Enrollment Date** provisions, which include definitions of eligible employees (including definitions of full-time and part-time), dependents, and retirees, if applicable.
2. **Termination Provisions** which clearly define when eligibility and benefits cease. The Termination Provisions should include specific wording regarding extension of coverage (also known as "extension of active service") during a period of inactive service due to disability, layoff or leave of absence. The plan should include COBRA wording consistent with federal requirements.
3. **Transplant** benefit wording that identifies any benefits applicable to the donor (particularly the non-participating donor), the recipient, organ procurement, and any covered transportation, lodging and companion charges.
4. The Plan is expected to contain provisions that preserve its ability to seek a right of recovery, to recover funds via subrogation, to enforce coordination of benefit clauses with other plans and where able, to be secondary to Medicare and other public programs (subject to the Plan's compliance with Medicare Secondary Payer rules).
5. Exclude expenses resulting from losses which are due to any act of war, whether declared or not.
6. Exclude expenses for any injury or illness arising out of or in the course of any occupation or employment for wage or profit.
7. Exclude expenses related to Alternative Treatment, except when deemed both medically necessary and cost effective when compared to a normal course of treatment.
8. All HCC Life policies contain an Experimental and Investigative definition and exclusion along with coverage requirements for clinical trials that complies with the Affordable Care Act (ACA).



INTERLINK Care Management, Inc.

Pareto CancerCARE+ Plan Access Agreement

Derry Township School
District _____

(hereinafter referred to as "Plan") has a relationship with Pareto Health Technologies, LLC (hereinafter referred to as "Approved Distributor"), which provides Plan access to the INTERLINK Care Management, Inc. (hereinafter referred to as "INTERLINK") Pareto CancerCARE+ Program at preferred rates. To take advantage of Approved Distributor's preferred rate and expedited enrollment process, the Plan must execute this Access Agreement and return it INTERLINK. All references to Plan within this Agreement shall include Plan's designated agent or administrator where applicable.

DEFINITIONS

Program Compliant: A Covered Person status obtained when the Covered Person has (1) completely registered into the Pareto CancerCARE+ Program and (2) the treatment is deemed concordant with a compliant benefit level as defined within the Plan's CancerCARE benefit language. INTERLINK shall maintain a provider review process for proposed treatment. Should the proposed treatment not adhere to applicable guidelines for a Program Compliant benefit level, INTERLINK shall encourage the provider to supply all the necessary documentation for a compliance review. An INTERLINK medical professional, or an oncology medical specialist hired by INTERLINK for such services, shall review submitted documentation and render a Program Compliant benefit review determination. INTERLINK shall report Program Compliant status to the Plan for benefit determination.

Covered Person(s): The collective term for both the insured and any covered dependents under the Plan.

Per Employee/Per Month (PEPM) Fee: The compensation paid to INTERLINK on a monthly basis by Approved Distributor for access to the Pareto CancerCARE+ Program. This fee shall include all Pareto CancerCARE+ Program services with the exception of Complex Case Management and Interpretation Services.

Complex Case Management: The Pareto CancerCARE+ Program includes Complex Case Management for those Covered Persons with a high-risk cancer diagnosis. INTERLINK staff will employ clinical expertise to determine which Covered Persons will receive the most value from case management.

National Comprehensive Cancer Network (NCCN®): An alliance of the nation's most prominent hospitals that review outcome information for cancer treatments, publish evidence-based NCCN Guidelines® and update them as needed.

NCCN User Flow-Down Terms: INTERLINK warrants that there is currently an effective license agreement with NCCN®, which authorizes the Plan to incorporate the NCCN® name and required NCCN Guidelines® into Plan's benefit plan language, subject to the User Flow-Down terms attached hereto as Appendix A. INTERLINK agrees to provide the Plan written notice within thirty (30) days of any material change to the license agreement.

McKesson Specialty Health's Clear Value Plus™: Application developed by McKesson which provides optimal courses of treatment called Value Pathways. Value Pathways are created by the input of patient specific clinical facts into the application which utilizes NCCN Guidelines®. Each Value Pathway has been based on efficacy, toxicity and cost, providing value to the Covered Person and the Plan.

CancerCARE Triage Center: The INTERLINK staffed call center, open Monday through Friday, 8:00 AM to 5:00 PM (PST), that collects medical and health plan information required to register Covered Persons into the Pareto CancerCARE+ Program and answers Covered Person questions. Within two days after collecting necessary information from Covered Persons and/or providers, staff shall assign Covered Persons into the appropriate Risk Management Group and send the appropriate program information to Plan. The CancerCARE

Triage Center shall be available to provide information and support to Covered Persons throughout the treatment process.

Risk Management Group: During the registration process, the Covered Person is assigned a risk group status. The three classifications are assigned based upon a particular diagnosis or stage of cancer and/or any comorbidities. The three groups are: (a) low risk diagnoses, with no radiation or chemotherapy treatment, (Explorer Program), (b) medium risk, diagnoses with radiation or chemotherapy treatment (Navigator Program) or (c) high risk diagnoses or high stage cancers identified as such by the Plan's CancerCARE benefit language, or those cases requiring over four hours of triage center case management (Compass Program). Each group is assigned specific measures and objectives. Each Covered Person will be monitored pursuant to his/her classification. If a CancerCARE coordinator determines that a certain Covered Person's condition warrants a transfer from one group to another, such transfer shall be communicated to the Plan and Covered Person, along with supporting documentation. Reasons for a transfer between Risk Management Groups may vary, and depend upon each Covered Person's particular diagnosis, stage or comorbidities.

TERMS & CONDITIONS

CancerCARE Plan Language: CancerCARE benefit language must be included in the Plan Document for participation and prior to the Pareto CancerCARE+ Program becoming effective. INTERLINK will review the Plan Document and provide model CancerCARE benefit language based upon existing Plan provisions. Plan may modify the model CancerCARE benefit language, but certain provisions are recommended in order to ensure effectiveness. Such provisions include (1) Program Compliant Benefit Level definitions, (2) a significant benefit level reimbursement differential for Program Compliant and Non-Compliant care, (3) COE Travel Benefits and (4) the COE Referral Provision, as written. Plan agrees to consult with INTERLINK if significant modifications to the CancerCARE model benefit language are considered. Before this Agreement is effective, Plan must provide INTERLINK a copy of its Plan Document and any associated amendment(s) incorporating CancerCARE.

Implementation and Covered Person Notifications: All Covered Persons with a cancer diagnosis (new or existing) must register with the CancerCARE Triage Center to be eligible to receive a Program Compliant benefit level. Prior to the effective date, Plan agrees to complete the CancerCARE implementation program taught by INTERLINK and distribute Covered Person notification materials. The Plan additionally agrees to have a CancerCARE Program logo and the toll-free Triage Center phone number included on the Covered Person's Plan benefit card. The Plan may order extra CancerCARE Program materials not included within the Implementation package at an additional cost. Please contact your account representative for pricing and information on additional materials.

Plan Profile / Plan Specifics: Plan agrees to provide monthly enrollment to INTERLINK on the 15th day of the month. INTERLINK may seek to confirm the contents of the Plan Enrollment Form periodically and at each renewal. Should any Covered Person of the Plan elect coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), Plan agrees to notify INTERLINK, and keep INTERLINK apprised of Covered Person's status.

Names, Logos and Proprietary Information: The model CancerCARE benefit language contains numerous registered and trademarked logos and business names. Plan is authorized to replicate and use those protected and trademarked logos pursuant to the NCCN® User Flow-Down Terms, which are attached hereto as Appendix A and incorporated by reference. McKesson Specialty Health reserves all rights in its trademarked names and logos. INTERLINK and Approved Distributor reserve all rights in its trademarked names and logos but authorizes Plan to use their intellectual property for materials and communications created for the implementation and operation of the Pareto CancerCARE+ Program. All Pareto CancerCARE+ supplied information is proprietary information owned by INTERLINK and/or Approved Distributor and should not be copied or shared with others without prior consent from INTERLINK and Approved Distributor. Upon termination of this Agreement, Plan agrees to remove and cease all use of associated Names, Logos and Proprietary Information.

Discounts, Contracts and Claims Payment: Plan agrees that all CancerCARE Covered Persons receiving Plan pre-authorized care at a CancerCOE Provider and utilizing an INTERLINK network agreement shall be paid according to the terms and conditions contained in the network agreement between INTERLINK and the

CancerCOE Provider, notwithstanding the Covered Person's Program Compliant status. If a CancerCOE Provider (in the context of cancer related services or a transition to transplant) requires the execution of individual patient Memorandums of Understanding (MOU), the Plan hereby authorizes and instructs INTERLINK to execute such MOUs on behalf of the Plan unless INTERLINK receives instructions to the contrary on or before the second business day following Plan's receipt of the MOU from INTERLINK. If the Plan knows, or has reason to believe, that the Plan payment or the Plan coverage will not cover its financial responsibility described in the MOU, the Plan shall contact INTERLINK. INTERLINK will accept, review and reprice CancerCOE Provider bills only. Most cancer treatments monitored by this program will likely be performed by community-based providers and Plan should continue to use PPOs, or other discounted arrangements for that care. Only those registrants with planned or scheduled treatment with a CancerCOE Provider will receive CancerCARE ID cards directing claims to INTERLINK. CancerCOE Provider Network Discounts and repricing fees are included in the CancerCARE Triage Center PEPM fee. If a Covered Person becomes a transplant candidate and utilizes an INTERLINK transplant network agreement, an additional access fee will apply if the Covered Person receives transplant services.

Signature Authority: The authority to sign MOUs on behalf of the Plan, as granted above, shall be in force until INTERLINK is notified by Plan in writing that such authority is terminated. By signing below, the authorized officer/employee for Plan represents and warrants his or her authority to grant INTERLINK MOU signature authority.

Reporting: INTERLINK shall provide reports for analytical, historical and planning purposes, and also provides written notifications for benefit payment level purposes upon any change in Covered Person status or treatment plan. INTERLINK shall produce a report for analytical and planning purposes at the end of each quarter. This report shall include (1) the Covered Persons who have registered into the Pareto CancerCARE+ Program and those who did not successfully register and (2) the Covered Persons who were referred to Complex Case Management, the date a case opened and closed with Complex Case Management. Individual Complex Case Management referrals, including initial, ongoing and closure reports will be sent to the Plan on occurrence or monthly.

Term/Renewal: A Pareto CancerCARE+ Program commitment runs from the beginning of the Plan benefit year to the end of the Plan benefit year, and automatically renews for additional benefit years unless terminated as outlined in the Termination/PEPM Fee provision. Notification of any change in the CancerCARE Fee Schedule shall be provided to the Approved Distributor with ninety (90) days prior notice for distribution to the Plan.

Termination/PEPM Fee: This Agreement may be terminated by Plan with thirty (30) days written notice or INTERLINK with ninety (90) days written notice prior to benefit plan renewal. If Plan elects to terminate access to the Pareto CancerCARE+ Program, INTERLINK shall bill for any applicable fees for 30 days from the date of notice. INTERLINK may terminate this Agreement immediately upon Plan's breach of any requirement herein. Upon termination, INTERLINK will transition any Covered Persons in Case Management to replacement vendors if available.

Approved Distributor has agreed to pay the PEPM Fee associated with the Pareto CancerCARE+ Program. Should Approved Distributor's agreement with INTERLINK terminate, the PEPM rate in effect for Approved Distributor at the time of termination shall become the responsibility of Plan. In the event of such termination, INTERLINK shall honor Approved Distributor's rate through the end of Plan's benefit year. If at the end of this benefit year, or if Plan terminates its agreement with Approved Distributor, Plan may continue access to the CancerCARE Program under the current CancerCARE Fee Schedule in effect at that time. In the event of either termination, Plan shall provide applicable PEPM Fee payment thirty (30) days from the date of invoice or on the date specified for ACH Payment. Payments not made within 30 days from the date of invoice or ten (10) days from the date of ACH Payment shall incur late payment penalties of nine percent (9%) per annum.

If Plan does wish to purchase the CancerCARE Program after termination of their access to the Pareto CancerCARE+ Program, a new Access Agreement will be required, and all references to the Pareto CancerCARE+ Program must be removed from Plan materials.

Complex Case Management Fees: Fees for Complex Case Management as outlined within the current CancerCARE Fee Schedule are in addition to the PEPM fee and the responsibility of Plan. Plan hereby acknowledges that the CancerCARE Program is responsible for referring Covered Persons to and from nurse case management. For Covered Persons with a preexisting cancer treatment protocol with an existing case manager, INTERLINK will provide nurse-to-nurse oversight level services to collect treatment information on an hourly basis, provided that Plan prefers to continue with the existing case manager. Payment for any applicable Complex Case Management fees shall be due within thirty (30) days from the date of invoice. Payments not made within 30 days from the date of invoice shall incur late payment penalties of nine percent (9%) per annum. Plan agrees to compensate INTERLINK for Complex Case Management fees incurred by Covered Persons who retroactively terminate coverage.

Interpretation Services: Should a Covered Person require the use of an interpreter, Plan agrees to reimburse INTERLINK as outlined in the current CancerCARE Fee Schedule. Such payment shall be in addition to the PEPM Fee and due within 30 days from the date of invoice. Payments not made within 30 days from the date of invoice shall incur late payment penalties of nine percent (9%) per annum. Plan agrees to compensate INTERLINK for Interpretation Services incurred by Covered Persons who retroactively terminate coverage.

Confidentiality: INTERLINK and the Plan agree to keep information confidential, which includes but is not limited to rate and proprietary information, and any information regarding Covered Persons in accordance with all state and federal laws. INTERLINK and Plan agree to execute further agreements as necessary, including but not limited to a Business Associate Agreement, to fully comply with all current and future state and federal patient confidentiality laws.

Limit of Liability: Plan acknowledges that INTERLINK will not be deemed or understood to be an Employee Retirement Income Security Act of 1974 ("ERISA") plan administrator or fiduciary, and that INTERLINK has no responsibility of any kind for: (1) medical outcomes or the quality or competence of any physician, facility or provider rendering service, (2) payment of any medical, hospital or other bills resulting from any medical or surgical treatment or confinement and (3) interpretation of any benefit plan contract concerning coverage or denial of benefits.

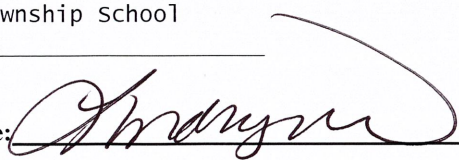
Effective Date: Plan and INTERLINK desire this Agreement to be effective on 05/01/2023 Plan acknowledges that services under the Pareto CancerCARE+ Program cannot commence until this Agreement and a Business Associate Agreement are executed and the Plan with all associated vendors have undergone CancerCARE implementations. Additionally, as outlined in the CancerCARE Plan Language provision above, the Plan must install CancerCARE benefit language before INTERLINK may perform services. Plan agrees to use best efforts to participate in or facilitate appropriate Plan and Vendor implementations prior to the Effective Date.

CancerCARE Program Fee Schedule:

Fee Type	Fee Structure	Rate
PEPM Fee	Paid by APPROVED DISTRIBUTOR	\$1.37 PEPM
Complex Case Management	Billable to Plan in six (6) minute increments	\$130.00/Hour
Interpretation Services	Billed to Plan as actual cost plus 15%	Invoice Cost + 15%

The pricing outlined above reflects Approved Distributor's pricing for the Pareto CancerCARE+ Program. This pricing shall remain in effect until changes in pricing are communicated to Plan per the Term/Renewal provision above or termination of this Agreement.

Acknowledged and agreed:
Derry Township School
District

Signature: 

Date: July 29, 2024

Print Name: Lindsay K. Drew

Title: President, School Board

INTERLINK Care Management, Inc.
CancerCARE Participation Agreement
APPENDIX A

USER FLOW-DOWN TERMS

1. Grant of Limited License.

INTERLINK grants to USER a non-transferable, non-exclusive, limited, personal license to access and view the NCCN Guidelines® and the NCCN Compendium® provided via the INTERLINK CancerCARE Program.

2. Intellectual Property Rights.

USER acknowledges that NCCN is the owner of all right, title and interest in and to the NCCN Compendium®, including, without limitation, all modifications, updates and other derivative works thereof and all copyright and other intellectual property rights related thereto. USER agrees that it shall not at any time dispute, challenge, or contest, directly or indirectly, NCCN's right, title and interest in and to the NCCN Guidelines® and the NCCN Compendium®, or assist or aid others to do so.

3. Restrictions on Use.

A) General

USER may view the NCCN Guidelines® and the NCCN Compendium® via the INTERLINK CancerCARE Program solely for its own personal purposes. User may not copy, transfer, reproduce, modify or create derivative works of any part of the NCCN Guidelines® or the NCCN Compendium® for any reason and may not use the NCCN Guidelines® or the NCCN Compendium® for any commercial purpose.

B) Clinical Use

Clinicians may use the NCCN Guidelines® or the NCCN Compendium® accessed via the INTERLINK CancerCARE Program to support diagnosis and treatment of their cancer patients. At all times and for all purposes, the NCCN Guidelines® and the NCCN Compendium® may only be used in the context of clinicians exercising independent medical or professional judgment within the scope of their professional license. No one, including clinicians, may use the NCCN Guidelines® or the NCCN Compendium® for any commercial purpose and may not claim, represent, or imply that NCCN Guidelines® or the NCCN Compendium® that have been modified in any manner is derived from, based on, related to or arises out of the NCCN Guidelines® or the NCCN Compendium®.

C) Notices

No copyright, trademark or other notices or legends contained on the NCCN Compendium® shall be removed and all copies of the NCCN Guidelines® or the NCCN Compendium® must contain, at a minimum, the following notices: "© National Comprehensive Cancer Network, Inc 2011, All Rights Reserved. NATIONAL COMPREHENSIVE CANCER NETWORK®, NCCN®, NCCN GUIDELINES® and NCCN COMPENDIUM® are trademarks owned by the National Comprehensive Cancer Network, Inc."

D) Review of Use

Upon NCCN's request, USERS shall provide NCCN with examples of each use of the NCCN Guidelines® or the NCCN Compendium® under this Agreement. USER agrees to immediately cease any such use on receipt of notice from NCCN that such use is in violation of this Agreement.

4. Restrictions; Disclaimers; Limitation of Damages.

A) General

The NCCN Guidelines® and the NCCN Compendium® are based upon consensus of the authors regarding their views of currently accepted approaches to cancer treatment. The NCCN Guidelines® and the NCCN Compendium® are produced completely independently and are not intended to promote any specific drug or biologic. INTERLINK is a licensee of the NCCN Guidelines® and the NCCN Compendium® with permission to utilize the NCCN Guidelines® and the NCCN Compendium® solely as references. NCCN does not certify, guarantee, or promote the INTERLINK CancerCARE Program or its accuracy. To purchase the latest version of the NCCN Compendium® or to view the complete library of NCCN content, visit NCCN.org.

B) Updates

The NCCN Guidelines® and the NCCN Compendium® are updated at NCCN's discretion to reflect updates and changes in cancer care. All responsibility for INTERLINK to utilize updated versions of the NCCN Guidelines® and the NCCN Compendium® rests solely with INTERLINK. NCCN has no obligation to advise USER of any

updates nor does NCCN have any obligation to update the NCCN Guidelines® or the NCCN Compendium® at any time for any reason.

C) No Representations or Warranties

NCCN makes no representations or warranties and explicitly disclaims the appropriateness or applicability of the NCCN Guidelines® or the NCCN Compendium® to any specific patient's care or treatment. Any clinician seeking to treat a patient using the NCCN Guidelines® or the NCCN Compendium® is expected to use independent medical judgment in the context of individual clinical circumstances of a specific patient's care or treatment.

D) WARRANTY DISCLAIMER

NCCN MAKES NO WARRANTIES CONCERNING THE NCCN GUIDELINES® OR THE NCCN COMPENDIUM®, WHICH ARE PROVIDED "AS IS." NCCN DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. NCCN DOES NOT WARRANT THE ACCURACY, CURRENCY, APPROPRIATENESS, APPLICABILITY OR COMPLETENESS OF THE NCCN COMPENDIUM®, NOR OF ANY PARTICULAR NCCN GUIDELINE® OR MAKE ANY REPRESENTATION REGARDING THE USE OR THE RESULTS OF THE USE OF THE NCCN COMPENDIUM® IN TREATMENT.

E) LIABILITY LIMITATION

IN NO EVENT SHALL NCCN OR ITS MEMBER INSTITUTIONS BE LIABLE FOR ANY DAMAGES OF ANY KIND INCLUDING DIRECT, INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE LICENSE GRANTED UNDER THIS AGREEMENT OR USE OF THE NCCN COMPENDIUM® INCLUDING, WITHOUT LIMITATION, LOSS OF LIFE, PHYSICAL INJURY, PROPERTY DAMAGE, LOSS OF DATA, LOSS OF INCOME OR PROFIT, OR ANY OTHER DAMAGES, LOSSES OR CLAIMS, EVEN IF NCCN HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR CLAIMS.

5. Trademarks.

USER recognizes that NATIONAL COMPREHENSIVE CANCER NETWORK®, NCCN®, NCCN Guidelines® and NCCN COMPENDIUM®, are trademarks ("Marks") of the National Comprehensive Cancer Network, Inc., that NCCN retains all goodwill and intellectual property rights in such Marks and shall not use the Marks or any confusingly similar Marks for any commercial purpose, including, without limitation, for purposes of marketing or promoting its services, without the prior written approval of NCCN, which approval may be withheld in NCCN's sole discretion. Each approved use of the Marks shall require the independent written approval of NCCN.

6. Modification of User Agreement.

NCCN reserves the right to change the terms of the User Agreement with regard to the NCCN Guidelines® or the NCCN Compendium® at any time. Updated versions of this Agreement will appear in the INTERLINK CancerCARE Program. Continued use of any updated version of the NCCN Guidelines® or the NCCN Compendium® after any such changes constitutes USER's agreement to be bound by such changes.

7. Remedies for Violation.

NCCN reserves the right to seek all remedies available at law and in equity for violations of the User Agreement, including but not limited to the right to block access to the NCCN Guidelines® and/or the NCCN Compendium®.

8. General.

USER agrees that this Agreement contains the entire agreement between NCCN and USER relating to its subject matter. If any provision of this Agreement is held to be invalid or unenforceable, the validity and enforceability of the remaining provisions shall not be affected thereby. The terms of this Appendix will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving any effect to the conflict of law provisions thereof, and each party agrees to submit to personal jurisdiction in the federal and state courts of Pennsylvania and waives any objection to venues in said courts. This Agreement will not be governed by the United Nations Conventions of Contracts for the International Sale of Goods, the application of which is expressly excluded. The NCCN Guidelines® or the NCCN Compendium® will not be shipped, transferred or exported into any country or used in any manner prohibited by the United States Export Administration Act, or any other export laws, restrictions.



BUSINESS ASSOCIATE AGREEMENT

05/01/2023

This Business Associate Agreement is made and entered into effective _____ by and between Derry Township School District (Covered Entity") and INTERLINK Health Services, Incorporated and INTERLINK Care Management, Inc. ("Business Associate") (jointly "the Parties"). In consideration of the mutual promises below, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the Privacy Rule, 45 CFR part 160 and part 164, subparts A and E as now or hereafter amended.

- (a) "*Breach*" shall have the same meaning given such term in 45 CFR 164.402.
- (b) "*Electronic PHI*" shall mean protected health information that is transmitted or maintained in any electronic media, as this term is defined in 45 C.F.R. § 160.103.
- (c) "*HIPAA*" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-91, as amended and related HIPAA regulations (45 CFR Parts 160-164).
- (d) "*HITECH*" means the Health Information Technology for Economic and Clinical Health Act, found in Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005.
- (e) "*Limited Data Set*" shall mean protected health information that excludes the following direct identifiers of the individual or of relatives, employers, or household members of the individual:
 - (i) Names;
 - (ii) Postal address information, other than town or city, State, and zip code;
 - (iii) Telephone numbers;
 - (iv) Fax numbers;
 - (v) Electronic mail addresses;
 - (vi) Social security numbers;
 - (vii) Medical record numbers;
 - (viii) Health plan beneficiary numbers;
 - (ix) Account numbers;
 - (x) Certificate/license numbers;
 - (xi) Vehicle identifiers and serial numbers, including license plate numbers
 - (xii) Device identifiers and serial numbers;
 - (xiii) Web Universal Resource Locators (URLs);
 - (xiv) Internet Protocol (IP) address numbers;
 - (xv) Biometric identifiers, including finger and voice prints; and
 - (xvi) Full face photographic images and any comparable images.
- (f) "*Protected Health Information*" or "*PHI*" shall mean information created or received by a health care provider, health plan, employer, or health care clearinghouse, that: (i) relates to the past, present, or future physical or mental health or condition of an individual, provision of health care to the individual, or the past, present, or future payment for provision of health care to the individual; (ii) identifies the individual, or with respect to which there is a reasonable basis to believe the information can be used to identify the individual; and (iii) is transmitted or maintained in an electronic medium, or in any other form or medium. The use of the term "Protected Health Information" or

"PHI" in this Agreement shall mean both Electronic PHI and non-electronic PHI, unless another meaning is clearly specified.

- (e) "*Security Incident*" shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system.

2. GENERAL TERMS

- (a) In the event of an inconsistency between the provisions of this Agreement and a mandatory term of the HIPAA Regulations (as these terms may be expressly amended from time to time by the U.S. Department of Health and Human Services ("DHHS") or as a result of interpretations by DHHS, a court, or another regulatory agency with authority over the Parties), the interpretation of DHHS, such court or regulatory agency shall prevail. In the event of a conflict among the interpretations of these entities, the conflict shall be resolved in accordance with rules of precedence.
- (b) Where provisions of this Agreement are different from those mandated by the HIPAA Regulations or the HITECH Act, but are nonetheless permitted by the Regulations or the Act, the provisions of this Agreement shall control.
- (c) Except as expressly provided in the HIPAA Regulations, the HITECH Act, or this Agreement, this Agreement does not create any rights in third parties.

3. SPECIFIC REQUIREMENTS

(a) Privacy of Protected Health Information

- (i) *Permitted Uses and Disclosures of PHI.* Business Associate agrees to create, receive, use, or disclose PHI only in a manner that is consistent with this Agreement or the HIPAA Privacy Rule and only in connection with providing the services to Covered Entity identified in the Agreement. Accordingly, in providing services to or for the Covered Entity, Business Associate, for example, will be permitted to use and disclose PHI for "treatment, payment, and health care operations" in accordance with the HIPAA Privacy Rule.
 - (1) Business Associate shall report to Covered Entity any use or disclosure of PHI that is not provided for in this Agreement.
 - (2) Business Associate shall maintain safeguards as necessary to ensure that PHI is not used or disclosed except as provided for by this Agreement.
- (ii) *Business Associate Obligations.* As permitted by the HIPAA Privacy Rule, Business Associate also may use or disclose PHI received by the Business Associate in its capacity as a Business Associate to the Covered Entity for Business Associate's own operations if:
 - (1) the use relates to: (1) the proper management and administration of the Business Associate or to carry out legal responsibilities of the Business Associate, or (2) data aggregation services relating to the health care operations of the Covered Entity; or
 - (2) the disclosure of information received in such capacity will be made in connection with a function, responsibility, or services to be performed by the Business Associate, and such disclosure is required by law or the Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidential and the person agrees to notify the Business Associate of any breaches of confidentiality.

- (iii) *Minimum Necessary Standard and Creation of Limited Data Set.* Business Associate's use, disclosure, or request of PHI shall utilize a Limited Data Set if practicable. Otherwise, in performing the functions and activities as specified in the Agreement and this Agreement, Business Associate agrees to use, disclose, or request only the minimum necessary PHI to accomplish the intended purpose of the use, disclosure, or request.
- (iv) *Access.* In accordance with 45 C.F.R. § 164.524 of the HIPAA Privacy Rule and, where applicable, in accordance with the HITECH Act, Business Associate will make available to those individuals who are subjects of PHI, their PHI in Designated Record Sets by providing the PHI to Covered Entity (who then will share the PHI with the individual), by forwarding the PHI directly to the individual, or by making the PHI available to such individual at a reasonable time and at a reasonable location. Business Associate shall make such information available in an electronic format where directed by the Covered Entity.
- (v) *Disclosure Accounting.* Business Associate shall make available the information necessary to provide an accounting of disclosures of PHI as provided for in 45 C.F.R. § 164.528 of the HIPAA Privacy Rule, and where so required by the HITECH Act and/or any accompanying regulations, Business Associate shall make such information available directly to the individual. Business Associate further shall provide any additional information to the extent required by the HITECH Act and any accompanying regulations.

Business Associate is not required to record disclosure information or otherwise account for disclosures of PHI that this Agreement or the Agreement in writing permits or requires: (i) for the purpose of payment activities or health care operations (except where such recording or accounting is required by the HITECH Act, and as of the effective dates for this provision of the HITECH Act), (ii) to the individual who is the subject of the PHI disclosed, or to that individual's personal representative; (iii) to persons involved in that individual's health care or payment for health care; (iv) for notification for disaster relief purposes, (v) for national security or intelligence purposes, (vi) to law enforcement officials or correctional institutions regarding inmates; (vii) pursuant to an authorization; (viii) for disclosures of certain PHI made as part of a limited data set; and (ix) for certain incidental disclosures that may occur where reasonable safeguards have been implemented.
- (vi) *Amendment.* Business Associate shall make available PHI for amendment and incorporate any amendment to PHI in accordance with 45 C.F.R. § 164.526 of the HIPAA Privacy Rule.
- (vii) *Right to Request Restrictions on the Disclosure of PHI and Confidential Communications.* If an individual submits a Request for Restriction or Request for Confidential Communications to the Business Associate, Business Associate and Covered Entity agree that Business Associate, on behalf of Covered Entity, will evaluate and respond to these requests according to Business Associate's own procedures for such requests.
- (viii) *Return or Destruction of PHI.* Upon the termination or expiration of the Agreement or this Agreement, Business Associate agrees to return the PHI to Covered Entity, destroy the PHI (and retain no copies), or further protect the PHI if Business Associate determines that return or destruction is not feasible.
- (ix) *Availability of Books and Records.* Business Associate shall make available to DHHS or its agents the Business Associate's internal practices, books, and records relating to the use and disclosure of PHI in connection with this Agreement.
- (x) *Termination for Breach.*

(1) Business Associate agrees that Covered Entity shall have the right to terminate this

Agreement or seek other remedies if Business Associate violates a material term of this Agreement.

- (2) Covered Entity agrees that Business Associate shall have the right to terminate this Agreement or seek other remedies if Covered Entity violates a material term of this Agreement.

(b) Information and Security Standards

- (i) Business Associate will develop, document, implement, maintain, and use appropriate administrative, technical, and physical safeguards to preserve the integrity, confidentiality, and availability of, and to prevent nonpermitted use or disclosure of, PHI created or received for or from the Covered Entity.
- (ii) Business Associate agrees that with respect to PHI, these safeguards, at a minimum, shall meet the requirements of the HIPAA Security Standards applicable to Business Associate.
- (iii) More specifically, to comply with the HIPAA Security Standards for PHI, Business Associate agrees that it shall:
 - (1) Implement administrative, physical, and technical safeguards consistent with (and as required by) the HIPAA Security Standards that reasonably protect the confidentiality, integrity, and availability of PHI that Business Associate creates, receives, maintains, or transmits on behalf of Covered Entity. Business Associate shall develop and implement policies and procedures that meet the Security Standards documentation requirements as required by the HITECH Act.
 - (2) As also provided for in Section 3(d) below, ensure that any agent, including a subcontractor, to whom it provides such PHI agrees to implement reasonable and appropriate safeguards to protect it;
 - (3) Report to Covered Entity, Security Incidents of which Business Associate becomes aware that result in the unauthorized access, use, disclosure, modification, or destruction of the Covered Entity's PHI, (hereinafter referred to as "Successful Security Incidents"). Business Associate shall report Successful Security Incidents to Covered Entity as specified in Section 3(e);
 - (4) For any other Security Incidents that do not result in unauthorized access, use, disclosure, modification, or destruction of PHI (including, for purposes of example and not for purposes of limitation, pings on Business Associate's firewall, port scans, attempts to log onto a system or enter a database with an invalid password or username, denial-of-service attacks that do not result in the system being taken off-line, or malware such as worms or viruses) (hereinafter "Unsuccessful Security Incidents"), Business Associate shall aggregate the data and, upon the Covered Entity's written request, report to the Covered Entity in accordance with the reporting requirements identified in Section 3(e);
 - (5) Take all commercially reasonable steps to mitigate, to the extent practicable, any harmful effect that is known to Business Associate resulting from a Security Incident;
 - (6) Permit termination of this Agreement if the Covered Entity determines that Business Associate has violated a material term of this Agreement with respect to Business Associate's security obligations and Business Associate is unable to cure the violation; and

- (7) Upon Covered Entity's request, Business Associate will provide Covered Entity with access to and copies of documentation regarding Business Associate's safeguards for PHI.

(c) Compliance with HIPAA Transaction Standards

- (i) *Application of HIPAA Transaction Standards.* Business Associate will conduct Standard Transactions consistent with 45 C.F.R. Part 162 for or on behalf of the Covered Entity to the extent such Standard Transactions are required in the course of Business Associate's performing services under the Agreement and this Agreement for the Covered Entity. As provided for in Section 3(d) below, Business Associate will require any agent or subcontractor involved with the conduct of such Standard Transactions to comply with each applicable requirement of 45 C.F.R. Part 162. Further, Business Associate will not enter into, or permit its agents or subcontractors to enter into, any trading partner agreement in connection with the conduct of Standard Transactions for or on behalf of the Covered Entity that:

- (1) Changes the definition, data condition, or use of a data element or segment in a Standard Transaction;
- (2) Adds any data element or segment to the maximum defined data set;
- (3) Uses any code or data element that is marked "not used" in the Standard Transaction's implementation specification or is not in the Standard Transaction's implementation specification; or
- (4) Changes the meaning or intent of the Standard Transaction's implementation specification.

- (ii) *Specific Communications.* Business Associate, Plan Sponsor and Covered Entity recognize and agree that communications between the parties that are required to meet the Standards for Electronic Transactions will meet the Standards set by that regulation. Communications between Plan Sponsor and Business Associate, or between Plan Sponsor and the Covered Entity, do not need to comply with the HIPAA Standards for Electronic Transactions. Accordingly, unless agreed otherwise by the Parties in writing, all communications (if any) for purposes of "enrollment" as that term is defined in 45 C.F.R. Part 162, Subpart O or for "Health Covered Entity Premium Payment Data," as that term is defined in 45 C.F.R. Part 162, Subpart Q, shall be conducted between the Plan Sponsor and either Business Associate or the Covered Entity. For all such communications (and any other communications between Plan Sponsor and the Business Associate), Plan Sponsor shall use such forms, tape formats, or electronic formats as Business Associate may approve. Plan Sponsor will include all information reasonably required by Business Associate to effect such data exchanges or notifications.

- (iii) *Communications Between the Business Associate and the Covered Entity.* All communications between the Business Associate and the Covered Entity that are required to meet the HIPAA Standards for Electronic Transactions shall do so. For any other communications between the Business Associate and the Covered Entity, the Covered Entity shall use such forms, tape formats, or electronic formats as Business Associate may approve. The Covered Entity will include all information reasonably required by Business Associate to effect such data exchanges or notifications.

(d) Agents and Subcontractors.

Business Associate shall include in all contracts with its agents or subcontractors, if such contracts involve the disclosure of PHI to the agents or subcontractors, the same restrictions and conditions on the use, disclosure, and security of such PHI that are set forth in this Agreement.

(e) Breach of Privacy or Security Obligations.

- (i) *Notice and Reporting to Covered Entity.* Business Associate will notify and report to Covered Entity (in the manner and within the timeframes described below) any use or disclosure of PHI not permitted by this Agreement, by applicable law, or permitted in writing by Covered Entity.
- (ii) *Notice to Covered Entity.* Business Associate will notify Covered Entity following discovery and without unreasonable delay but in no event later than ten (10) calendar days following discovery, any "Breach" of "Unsecured Protected Health Information" as these terms are defined by the HITECH Act and any implementing regulations. Business Associate shall cooperate with Covered Entity in investigating the Breach and in meeting the Covered Entity's obligations under the HITECH Act and any other security breach notification laws. Business Associate shall follow its notification to the Covered Entity with a report that meets the requirements outlined immediately below.
- (iii) *Reporting to Covered Entity.*
 - (1) For Successful Security Incidents and any other use or disclosure of PHI that is not permitted by this Agreement, the Agreement, by applicable law, or without the prior written approval of the Covered Entity, Business Associate - without unreasonable delay and in no event later than thirty (30) days after Business Associate learns of such non-permitted use or disclosure - shall provide Covered Entity a report that will:
 - a. Identify (if known) each individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been accessed, acquired, or disclosed during such Breach;
 - b. Identify the nature of the non-permitted access, use, or disclosure including the date of the incident and the date of discovery;
 - c. Identify the PHI accessed, used, or disclosed (e.g., name; social security number; date of birth);
 - d. Identify who made the non-permitted access, use, or received the non-permitted disclosure;
 - e. Identify what corrective action Business Associate took or will take to prevent further non-permitted accesses, uses, or disclosures;
 - f. Identify what Business Associate did or will do to mitigate any deleterious effect of the non-permitted access, use, or disclosure; and
 - g. Provide such other information, including a written report, as the Covered Entity may reasonably request.
 - (2) For Unsuccessful Security Incidents, Business Associate shall provide Covered Entity, upon its written request, a report that: (i) identifies the categories of Unsuccessful Security Incidents as described in Section 3(b)(iii)(4); (ii) indicates whether Business Associate believes its current defensive security measures are adequate to address all Unsuccessful Security Incidents, given the scope and nature of such attempts; and (iii) if the security measures are not adequate, the measures Business Associate will implement to address the security inadequacies.
- (iv) *Indemnification.* Business Associate agrees to indemnify and hold Covered Entity harmless from

any and all liability, damages, costs (including reasonable attorneys' fees and costs), and expenses imposed upon or asserted against Covered Entity arising out of any claims, demands, awards, settlements, judgments, penalties, or fines relating to use or disclosure of PHI contrary to the provisions of this Agreement, and/or applicable law by Business Associate or Business Associate's directors, officers, employees, agents, contractors or business associates.

(iv) *Termination for Breach.*

- (1) Covered Entity and Business Associate each will have the right to terminate this Agreement if the other party has engaged in a pattern of activity or practice that constitutes a material breach or violation of Business Associate's or the Covered Entity's respective obligations regarding PHI under this Agreement and, on notice of such material breach or violation from the Covered Entity or Business Associate, fails to take reasonable steps to cure the material breach or end the violation.
- (2) If Business Associate or the Covered Entity fail to cure the material breach or end the violation after the other party's notice, the Covered Entity or Business Associate (as applicable) may terminate this Agreement by providing Business Associate or the Covered Entity written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. Such termination shall be effective 60 days from this termination notice.

(v) *Continuing Privacy and Security Obligations.* Business Associate's and the Covered Entity's obligation to protect the privacy and security of the PHI it created, received, maintained, or transmitted in connection with services to be provided under the Agreement and this Agreement will be continuous and survive termination, cancellation, expiration, or other conclusion of this Agreement or the Agreement. Business Associate's other obligations and rights, and the Covered Entity's obligations and rights upon termination, cancellation, expiration, or other conclusion of this Agreement, are those set forth in this Agreement.

Derry Township School District

Lindsay K. Drew
Name


Signature

President, School Board
Title

June 24, 2024
Date

INTERLINK

Kristina Hubiak

Name


Signature

Operational Relationship Manager

Title

08/30/2024

Date



CancerCARE

Right Care. Right Place. Right Time.

LETTER OF REPRESENTATION

To Whom It May Concern,

INTERLINK Care Management, Inc. CancerCARE has a business associate relationship with the health benefit plan of Derry Township School District to provide cancer case management and treatment review services. Please provide CancerCARE with requested Medical Records so that they can perform their contracted services.

Such activities do not require patient authorization pursuant to 45 CFR 164.506. Medical Records can be submitted to CancerCARE via secure fax (503-640-6277) or email (cancermanagement@interlinkhealth.com).

If you have any questions, please feel free to contact CancerCARE at 877-640-9610.

Thank you for your time and attention.

Signature of Authorized Representative for the Health Benefit Plan of Derry Township School District

Lindsay K. Drew

Signatory Name Printed

President, School Board

Signatory Title

June 24, 2024

Date

Complex Case Management Fees: Fees for Complex Case Management as outlined within the current CancerCARE Fee Schedule are in addition to the PEPM fee and the responsibility of Plan. Plan hereby acknowledges that the CancerCARE Program is responsible for referring Covered Persons to and from nurse case management. For Covered Persons with a preexisting cancer treatment protocol with an existing case manager, INTERLINK will provide nurse-to-nurse oversight level services to collect treatment information on an hourly basis, provided that Plan prefers to continue with the existing case manager. Payment for any applicable Complex Case Management fees shall be due within thirty (30) days from the date of invoice. Payments not made within 30 days from the date of invoice shall incur late payment penalties of nine percent (9%) per annum. Plan agrees to compensate INTERLINK for Complex Case Management fees incurred by Covered Persons who retroactively terminate coverage.

Interpretation Services: Should a Covered Person require the use of an interpreter, Plan agrees to reimburse INTERLINK as outlined in the current CancerCARE Fee Schedule. Such payment shall be in addition to the PEPM Fee and due within 30 days from the date of invoice. Payments not made within 30 days from the date of invoice shall incur late payment penalties of nine percent (9%) per annum. Plan agrees to compensate INTERLINK for Interpretation Services incurred by Covered Persons who retroactively terminate coverage.

Confidentiality: INTERLINK and the Plan agree to keep information confidential, which includes but is not limited to rate and proprietary information, and any information regarding Covered Persons in accordance with all state and federal laws. INTERLINK and Plan agree to execute further agreements as necessary, including but not limited to a Business Associate Agreement, to fully comply with all current and future state and federal patient confidentiality laws.

Limit of Liability: Plan acknowledges that INTERLINK will not be deemed or understood to be an Employee Retirement Income Security Act of 1974 ("ERISA") plan administrator or fiduciary, and that INTERLINK has no responsibility of any kind for: (1) medical outcomes or the quality or competence of any physician, facility or provider rendering service, (2) payment of any medical, hospital or other bills resulting from any medical or surgical treatment or confinement and (3) interpretation of any benefit plan contract concerning coverage or denial of benefits.

Effective Date: Plan and INTERLINK desire this Agreement to be effective on 05/01/2023 Plan acknowledges that services under the Pareto CancerCARE+ Program cannot commence until this Agreement and a Business Associate Agreement are executed and the Plan with all associated vendors have undergone CancerCARE implementations. Additionally, as outlined in the CancerCARE Plan Language provision above, the Plan must install CancerCARE benefit language before INTERLINK may perform services. Plan agrees to use best efforts to participate in or facilitate appropriate Plan and Vendor implementations prior to the Effective Date.

CancerCARE Program Fee Schedule:

Fee Type	Fee Structure	Rate
PEPM Fee	Paid by APPROVED DISTRIBUTOR	\$1.37 PEPM
Complex Case Management	Billable to Plan in six (6) minute increments	\$130.00/Hour
Interpretation Services	Billed to Plan as actual cost plus 15%	Invoice Cost + 15%

The pricing outlined above reflects Approved Distributor's pricing for the Pareto CancerCARE+ Program. This pricing shall remain in effect until changes in pricing are communicated to Plan per the Term/Renewal provision above or termination of this Agreement.

Acknowledged and agreed:

Derry Township School
District

Signature: 

Date: June 24, 2024

Print Name: Lindsay K. Drew

Title: President, School Board

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement ("Agreement") is entered into on May 1, 2024 (the "Effective Date") by and between Inetico, LLC d/b/a Valenz Care / KISx Card and its affiliated companies and/or subsidiaries ("Business Associate or Company") and Derry Township School District (referred to herein as the "Covered Entity").

I. GENERAL PROVISIONS

Section 1.1. Status of Parties. The Parties acknowledge and agree that Covered Entity is a Covered Entity (as defined by HIPAA) and Company is a Business Associate of Covered Entity when Company creates, receives, maintains, transmits, uses or discloses Protected Health Information on behalf of Covered Entity. The Parties acknowledge and agree that Company is at all times acting as an independent contractor of Covered Entity and not as an agent or employee of Company under this Agreement.

Section 1.2. Effect. To the extent that Company receives Protected Health Information from or on behalf of Covered Entity ("PHI") to perform Business Associate activities, the terms and provisions of this Agreement shall supersede any other conflicting or inconsistent terms and provisions in this Agreement to the extent of such conflict or inconsistency.

Section 1.3. Defined Terms. Capitalized terms used in this Agreement without definition shall have the respective meanings assigned to such terms by the Administrative Simplification section of the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act and their implementing regulations as amended from time to time (collectively, "HIPAA").

Section 1.4. No Third-Party Beneficiaries. The Parties have not created and do not intend to create by this Agreement any third-party rights, including, but not limited to, third party rights for Covered Entity's patients.

Section 1.5. HIPAA Amendments. The Parties acknowledge and agree that the Health Information Technology for Economic and Clinical Health Act and its implementing regulations impose requirements with respect to privacy, security, and breach notification applicable to Business Associates (collectively, the "HITECH BA Provisions"). The HITECH BA Provisions and any other future amendments to HIPAA affecting Business Associate agreements are hereby incorporated by reference into this Agreement as if set forth in this Agreement in their entirety, effective on the later of the effective date of this Agreement or such subsequent date as may be specified by HIPAA. A reference in this Agreement to a section in HIPAA means the section as it may be amended from time-to-time.

II. OBLIGATIONS OF THE COMPANY

Section 2.1. Use and Disclosure of PHI. Company may use and disclose PHI as permitted or required under this Agreement or as Required by Law but shall not otherwise use or disclose any PHI. Company shall not use or disclose PHI received from Covered Entity in any manner that would constitute a violation of HIPAA if so used or disclosed by Covered Entity (except as set forth in Sections 2.1(a), (b) and (c) of this Addendum). To the extent Company carries out any of Covered Entity's obligations under the HIPAA privacy standards, Company shall comply with the requirements of the HIPAA privacy standards that apply to Covered Entity in the performance of such obligations. Without limiting the generality of the foregoing, Company is permitted to use or disclose PHI as set forth below:

(a) Company may use PHI internally for Company's proper management and administration or to carry out its legal responsibilities.

(b) Company may disclose PHI to a third party for Company's proper management and administration, provided that the disclosure is Required by Law or Company obtains reasonable assurances from the third party to whom the PHI is to be disclosed that the third party will (1) protect the confidentiality of the PHI, (2) only use or further disclose the PHI as Required by Law or for the purpose for which the PHI was disclosed to the third party and (3) notify Covered Entity of any instances of which the third party is aware in which the confidentiality of the PHI has been breached;

(c) Company may use PHI to provide Data Aggregation services relating to the Health Care Operations of Covered Entity if required or permitted under this Agreement; and

(d) Company may use PHI to create de-identified health information in accordance with the HIPAA de-identification requirements. Company may disclose de-identified health information for any purpose permitted by law.

Section 2.2. Safeguards. Company shall use appropriate safeguards to prevent the use or disclosure of PHI other than as permitted or required by this Agreement. In addition, Company shall implement Administrative Safeguards, Physical Safeguards and Technical Safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of PHI transmitted or maintained in Electronic Media ("E PHI") that it creates, receives, maintains or transmits on behalf of Covered Entity. Company shall comply with the HIPAA Security Rule with respect to E PHI.

Section 2.3. Minimum Necessary Standard. To the extent required by the “minimum necessary” requirements of HIPAA, Company shall only request, use and disclose the minimum amount of PHI necessary to accomplish the purpose of the request, use or disclosure.

Section 2.4. Mitigation. Company shall take reasonable steps to mitigate, to the extent practicable, any harmful effect (that is known to Company) of a use or disclosure of PHI by Company in violation of this Agreement.

Section 2.5. Trading Partner Agreement. Company shall not take any of the following actions: (a) change the definition, Data Condition, or use of a Data Element or Segment in a Standard, except where necessary to implement state or federal law, or to protect against fraud and abuse; (b) add any Data Elements or Segments to the maximum defined Data Set; (c) use any code or Data Elements that are either marked “not used” in the Standard’s Implementation Specification or are not in the Standard’s Implementation Specification(s); or (d) change the meaning or intent of the Standard’s Implementation Specification(s).

Section 2.6. Subcontractors. Company shall enter into a written agreement meeting the requirements of 45 C.F.R. §§ 164.504(e) and 164.314(a)(2) with each Subcontractor (including, without limitation, a Subcontractor that is an agent under applicable law) that creates, receives, maintains, or transmits PHI on behalf of Company. Company shall ensure that the written agreement with each Subcontractor obligates the Subcontractor to comply with restrictions and conditions that are at least as restrictive as the restrictions and conditions that apply to Company under this Agreement.

Section 2.7. Reporting Requirements. If Company becomes aware of a use or disclosure of PHI in violation of this Agreement by Company or a third party to which Company disclosed PHI, Company shall report the use or disclosure to Covered Entity without unreasonable delay. Company shall report any Security Incident involving EPHI of which it becomes aware in the following manner: (a) any actual, successful Security Incident will be reported to Covered Entity in writing without unreasonable delay, and (b) any attempted, unsuccessful Security Incident of which Company becomes aware will be reported to Covered Entity orally or in writing on a reasonable basis, as requested by Covered Entity. If the HIPAA security regulations are amended to remove the requirement to report unsuccessful attempts at unauthorized access, the requirement hereunder to report such unsuccessful attempts will no longer apply as of the effective date of the amendment. Company shall, following the discovery of a Breach of Unsecured PHI, notify Covered Entity of the Breach in accordance with 45 C.F.R. § 164.410 without unreasonable delay and in no case later than 60 days after discovery of the Breach.

Section 2.8. Access to PHI. Within 15 business days of a request by Covered Entity for access to PHI about an Individual contained in any Designated Record Set of Covered Entity maintained by Company, Company shall make available to Covered Entity such PHI for so long as Company maintains such information in the Designated Record Set. If Company receives a request for access to PHI directly from an Individual, Company shall forward such request to Covered Entity within ten business days. Covered Entity shall have the sole responsibility to make decisions regarding whether to approve a request for access to PHI.

Section 2.9. Availability of PHI for Amendment. Within 15 business days of receipt of a request from Covered Entity for the amendment of an Individual’s PHI contained in any Designated Record Set of Covered Entity maintained by Company, Company shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI (for so long as Company maintains such information in the Designated Record Set) as required by 45 C.F.R. § 164.526. If Company receives a request for amendment to PHI directly from an Individual, Company shall forward such request to Covered Entity within ten business days. Covered Entity shall have the sole responsibility to make decisions regarding whether to approve a request for an amendment to PHI.

Section 2.10. Accounting of Disclosures. Within 15 business days of notice by Covered Entity to Company that it has received a request for an accounting of disclosures of PHI (other than disclosures to which an exception to the accounting requirement applies), Company shall make available to Covered Entity such information as is in Company’s possession and is required for Covered Entity to make the accounting required by 45 C.F.R. § 164.528. If Company receives a request for an accounting directly from an Individual, Company shall forward such request to Covered Entity within ten business days. Covered Entity shall have the sole responsibility to provide an accounting of disclosures to the Individual.

Section 2.11. Availability of Books and Records. Company shall make its internal practices, books and records relating to the use and disclosure of PHI received from, or created or received by Company on behalf of, Covered Entity available to the Secretary for purposes of determining Covered Entity’s and Company’s compliance with HIPAA.

III. Obligations of THE Covered Entity

Section 3.1. Permissible Requests. Covered Entity shall not request Company to use or disclose PHI in any manner that would not be permissible under HIPAA if done directly by Covered Entity (except as provided in Sections 2.1(a), (b) and (c) of this Addendum).

Section 3.2. Minimum Necessary PHI. When Covered Entity discloses PHI to Company, Covered Entity shall provide the minimum amount of PHI necessary for the accomplishment of Company's purpose.

Section 3.3. Permissions; Restrictions. Covered Entity warrants that it has obtained and will obtain any consents, authorizations and/or other legal permissions required under HIPAA and other applicable law for the disclosure of PHI to Company. Covered Entity shall notify Company of any changes in, or revocation of, the permission by an Individual to use or disclose his or her PHI, to the extent that such changes may affect Company's use or disclosure of PHI. Covered Entity shall not agree to any restriction on the use or disclosure of PHI under 45 C.F.R. § 164.522 that restricts Company's use or disclosure of PHI under this Agreement unless such restriction is Required by Law or Company grants its written consent, which consent shall not be unreasonably withheld.

Section 3.4. Notice of Privacy Practices. Except as Required by Law, with Company's consent or as set forth in this Agreement, Covered Entity shall not include any limitation in the Covered Entity's notice of privacy practices that limits Company's use or disclosure of PHI under this Agreement.

Section 3.5. State Laws. Covered Entity shall advise Company of state laws and regulations that are more restrictive than, or preemptive of, HIPAA.

IV. TERMINATION OF THIS AGREEMENT

Section 4.1. Termination Upon Breach of this Agreement. Any other provision of this Agreement notwithstanding, either party (the "Non-Breaching Party") may terminate this Agreement upon 30 days advance written notice to the other party (the "Breaching Party") in the event that the Breaching Party materially breaches this Agreement, and such breach is not cured to the reasonable satisfaction of the Non-Breaching Party within such 30-day period. Upon expiration or earlier termination of this Agreement, Company shall either return or destroy all PHI received from Covered Entity or created or received by Company on behalf of Covered Entity and which Company still maintains in any form. Notwithstanding the foregoing, to the extent that Company reasonably determines that it is not feasible to return or destroy such PHI, the terms and provisions of this Agreement shall survive termination of this Agreement and such PHI shall be used or disclosed solely for such purpose or purposes which prevented the return or destruction of such PHI.

V. LIMITATION OF LIABILITY

Section 5.1. Limitation of Liability. In no event shall Company's and its present and former affiliates', directors', officers', employees', and agents' aggregate liability arising out of or related to this Agreement, whether in contract, tort, or under any other theory of liability, exceed the amounts actually paid by and due from Covered Entity under the applicable agreement which Company provides services to Covered Entity during the one-year period immediately preceding the date the cause of action arose. In no event shall Company or its present and former affiliates, directors, officers, employees, or agents have any liability to Covered Entity or any third party for any lost profits, loss of data, loss of use, costs of procurement of substitute good or services, or for any indirect, special, incidental, punitive, or consequential damages however caused and, whether in contract, tort, or under any other theory of liability whether or not Company has been advised of the possibility of such damage. Because some states or jurisdictions do not allow the exclusion or the limitation of liability for consequential or incidental damages, in such states or jurisdictions, Company's and its present and former subsidiaries', affiliates', directors', officers', employees', and agents' liability shall be limited to the maximum extent permitted by law. This Section 5 shall survive the expiration or earlier termination of this Agreement.

IN WITNESS WHEREOF, the parties have signed this Business Associate Agreement effective as of the Effective Date.

Derry Township School District

By: 

Name: Lindsay K. Drew

Title: President, School Board

Date: June 24, 2024

Inetico, LLC d/b/a Valenz Care / KISx Card

By: 

Name: Robert Gelb

Title: CEO

Date: 08/28/2024

EMPLOYER AGREEMENT

This Agreement is entered into by and between Inetico, LLC d/b/a Valenz Care / KISx Card (hereinafter referred to as “KCA” (KIS. Card Administrator)) and **Derry Township School District (“Plan Sponsor”)** and shall be effective as of the 1st day of May, 2024 (the “Effective Date”). Agreements can be received up to 30 days after the effective date. If not received within 30 days after the effective date, then the effective date will change to the first of the next month.

RECITALS

WHEREAS, Plan Sponsor has adopted and implemented the KISx Card Program to its health and welfare benefit plan, providing means by which eligible employees of Plan Sponsor and their eligible dependents are able to obtain benefits for elective procedures outside of their current health plan (the “Plan”).

WHEREAS, KCA, under the terms of this Agreement, shall assist Plan Sponsor in the implementation and administration of the Plan.

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the parties agree as follows:

SECTION 1- DEFINITIONS

- 1.1. **“Participant”** shall mean an individual enrolled as an employee, dependent or retiree (if applicable) for medical benefits under the Plan, or an individual continuing Medical coverage under the Plan in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time (“COBRA”).
- 1.2. **“Plan Document”** shall mean generally the written description, as prescribed by ERISA, of the benefits to be provided by the Plan, and the standards and rules governing the payment of benefits under the Plan.

SECTION 2 – DUTIES AND RESPONSIBILITIES OF KCA

- 2.1. KCA shall assist Plan Sponsor in the installation of the Plan, including performance of the following duties: (a) Enter in and maintain the plan of benefits and relevant information provided by Plan Sponsor in KCA's computer system and (b) Perform any other duties related to the installation of the Plan as mutually agreed between the parties.
- 2.2. Standard Claims Service.
 - A. Except as otherwise specifically provided in this Agreement, KCA shall administer medical claims for health and welfare benefits under the Plan in accordance with terms and conditions set forth in the Plan, this Agreement, and KCA's payment practices and audit procedures, which are updated from time to time including, but not limited to: (i) respond to telephone and mail inquiries from Participants and providers regarding benefits available or status of claims and assisting Participants with appointments, procedures, and eligibility for this program; (ii) review and evaluate claims submitted, paying providers; and (iii) prepare standard claims activity reports, check registers and fund reports;
 - B. Additional Services can be provided at the request of the Plan Sponsor and agreed upon in writing by both the Plan Sponsor and KCA.
- 2.3. KCA's duties are contingent on the receipt of necessary information, any communication and/or data from Plan Sponsor, Participants, providers, and any other source in a timely manner and in good order. “Timely manner” means a reasonable period of time for sorting, processing, entering and posting of data received.
- 2.4. KCA will coordinate contact with KISx Card Providers and KISx Card Services to Participants.
- 2.5. Stop Loss Duties.
 - A. For Plans **that have** Stop Loss Providers that have agreed to apply the discounted medical expenses of the KISx Card Program to the underlying Plan, KCA will provide the Stop Loss Provider, Broker and/or TPA with all detail of claims incurred by Plan Participants, during the eligible plan year of the Plan Sponsor to be applied to the Stop Loss contract's specific and aggregate deductibles for that period.
 - B. In the event the Plan Sponsor **does not have** a Stop Loss Provider permitting the discounted medical expense claims of the KISx Card Program to be applied to the underlying Plan Stop Loss Specific and Aggregate limits, Plan Sponsor hereby acknowledges and agrees:
 - (1) Plan Sponsor's funding obligations remain the same.
 - C. Notwithstanding the foregoing and referencing Plans in 2.5 A. above, for any benefit claim received by KCA during the last fourteen (14) days of any stop-loss year, KCA may, but shall in no event be under any obligation to, discharge its duties under this section in such manner as may be required to cause the applicable reimbursement to Plan Sponsor or the Plan to occur as part of the same stop-loss year.
 - D. KCA will provide tracking and claim filing services to the stop-loss carrier, broker and/or TPA of Plan Sponsor or the Plan, if applicable, for Plans referenced in 2.5 A.
- 2.6. All fees to be paid to KCA for the services provided by KCA will be paid by Pareto Captive Services.

SECTION 3 – DUTIES AND RESPONSIBILITIES OF PLAN SPONSOR

- 3.1. Preparation of Eligibility List and Plan Information. Plan Sponsor shall:
- A. Prepare an initial complete and accurate set of enrollment records for all Participants, including but not limited to legal name, plan enrollment status, full home address and email addresses; such records must be delivered to KCA thirty (30) days prior to the date KCA shall begin to adjudicate claims for the Plan.
 - B. Provide KCA with a specific contact to verify employee eligibility at the time a procedure is being scheduled. KCA will verify eligibility within a fourteen (14) day period prior to a procedure being performed. If a participant terminates within the 14-day window of time prior to the procedure being performed the Plan Sponsor is responsible to notify KCA to cancel the scheduled procedure. If Plan Sponsor does not notify KCA and the procedure is completed, all funds are still owed for the procedure that was performed the same as if the participant was still active.
 - C. Plan Sponsor shall update these records in writing or by any other medium acceptable to KCA, notifying KCA of all changes in Participant status, including the addition of new Participants, termination of Participants, changes in dependent status or any other changes that may affect the eligibility of a Participant. If Plan Sponsor submits a termination to KCA which is effective retroactively, KCA will not be obligated to adjust claims, administrative fees, premiums, attempt recovery of overpayments, or vendor costs retroactively for more than three (3) months.
 - D. Deliver to Participants all Plan information and any other information required by the Department of Labor or any other federal or state governing agency.
 - E. Notify KCA in writing of the final determination of Plan Sponsor or person designated by Plan Sponsor regarding any disputed or questionable claims and claims requiring interpretation of the Plan Document unless the Amendment for Claim Appeal Determination Services has been executed by the parties.
 - F. Funding of Claims and Expenses
 - (1) Plan Sponsor shall be solely responsible for funding the payment of benefits and expenses under the Plan, upon request of KCA. KCA's contracting with healthcare providers allows a 7-business day turnaround time on reimbursement. If such funding is delinquent for a period of seven (7) additional calendar days, KCA must notify the healthcare providers of the delinquency. If claims funding is not satisfied by fourteen (14) calendar days after the initial request for funding, a per calendar day penalty of \$25 will be applied until the day in which the funding is satisfied. KCA may also suspend the issuance of checks and explanation of benefit statements and suspend the processing of all claims. In addition, failure to fund the account in a timely manner may result in additional ramifications including, but not limited to, the loss of preferred provider prompt payment discounts.
 - (2) Plan Sponsor authorizes KCA to make disbursements from the account for the payment of benefits and expenses incurred under the Plan.
 - G. Settlement of Claims. Plan Sponsor shall timely notify KCA of any inquiries it receives, whether from individuals, entities, governmental entities or others, regarding the activities undertaken by KCA and shall assist KCA in any reasonable manner with regard to KCA's obligations under this Agreement. In addition, Plan Sponsor shall fully cooperate with KCA as and to the extent necessary for Plan Sponsor to effectively respond to an inquiry by any individual, governmental authority, or other entity regarding coordination of any Plan benefit with any benefit that may be available under Medicare.
 - H. Plan Documentation. Plan Sponsor shall provide KCA with an executed copy of their underlying Medical Plan Document, Summary Plan Description, and Trust Instrument, if applicable.
 - I. Changes in Information. Plan Sponsor shall: (i) Advise KCA upon acquisition of any new or different contract relating to the Plan, or upon any change in Plan Sponsor's organization which might affect the legal status of the Plan; (ii) notify KCA in writing of any change in the Plan benefits at least thirty (30) days prior to the effective date of such change. Any change requiring a re-adjudication of claims shall be performed by KCA only for an additional fee mutually agreeable to the parties; and (iii) Notify Participants within sixty (60) days prior to the effective date of a material reduction in benefits.

SECTION 4 – BANKING ARRANGEMENTS

- 4.1. Funding of benefits is the responsibility of Plan Sponsor. KCA will provide Plan Sponsor with the negotiated claim amount for patient's procedure reflecting benefit payments to be funded. Plan Sponsor shall transfer the appropriate funds to the designated account upon receipt of fund requests. KCA, through its claims processing system, will pull funds via ACH or mail checks from this account to pay appropriate KISx Card Providers and KCA fees for same claims (when applicable) against the bank account established and maintained by Plan Sponsor for the purpose of funding benefits under the Plan.

SECTION 5 – RELATIONSHIP OF THE PARTIES

- 5.1. In performing services under this Agreement, KCA performs all acts as an independent contractor and not as an officer, employee or agent of Plan Sponsor or Plan Administrator (if other than Plan Sponsor) or Plan.

- 5.2. Fiduciary. Plan Sponsor, or a person designated by Plan Sponsor (other than KCA), is the Administrator and the Named Fiduciary (as defined in Section 3(16) (A) and 402(a)(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")). As fiduciary, Plan Sponsor, or the person designated by Plan Sponsor (other than KCA), maintains discretionary authority to review all denied claims for benefits under the Plan, including, but not limited to, the determination of covered services, interpretation of the terms of the Plan, and the determination of eligibility for and entitlement to Plan benefits in accordance with the terms of the Plan. Unless expressly provided in this Agreement (i.e., by the parties having signed the Amendment for Claim Appeal Determination Services), KCA shall not have any discretionary authority or discretionary control respecting the management of the Plan itself or its assets, if any, and Plan Sponsor retains all final responsibility and ultimate authority for the operation of the Plan.

SECTION 6 – TERM AND TERMINATION

- 6.1. Term. This Agreement and referenced KISx Card Amendment shall be in effect for a period of one (1) year from the Effective Date (the "Initial Term") and shall renew automatically thereafter for the successive one (1) year periods of time (each such period, a "Renewal Term" and collectively with the Initial Term, the "Term"), unless otherwise terminated or renegotiated in accordance with this Agreement. If renegotiated, the Term mutually agreed to by the parties for that renewal will be reflected in a separate Exhibit to this Agreement. The provisions of this Agreement and monthly administrative fees (not including any fee payable to a vendor) payable to KCA hereunder, are subject to negotiation prior to the end of each Term. Either party desiring to renegotiate this Agreement shall notify the other party of its intent to renegotiate sixty (60) days prior to expiration of the Term. In the absence of a written agreement signed by both parties indicating otherwise, this Agreement shall automatically be renewed upon the same terms and conditions.
- 6.2. Termination. This Agreement may be terminated as follows: (a) by either party, with or without cause, by giving written notice to the other party at least sixty (60) days prior to the last day of the applicable Initial Term or Renewal Term, effective at the end of the applicable Initial Term or Renewal Term; (b) by KCA at any time after Plan Sponsor fails to provide funds for the payment of benefits, effective as of the date specified in KCA's termination notice; (c) by KCA at any time after any Administrative fees, or Claim expenses are more than thirty (30) days past due, effective as of the date specified in KCA's termination notice; or (d) by KCA at any time after Plan Sponsor voluntarily or involuntarily files for bankruptcy, effective as of the date specified in KCA's termination notice, however fees and expenses incurred prior to same remain payable in full.
- 6.3. Continuing Obligations After Contract Termination. Notwithstanding the termination of this Agreement, the following rights and liabilities of the parties shall survive for the specified time period following termination: (a) Plan Sponsor's duty to pay KCA until such amounts are paid in full; (b) Plan Sponsor's duty to fund claims incurred before termination until such claims are finally resolved; and (c) Plan Sponsor's and KCA's duties and liabilities regarding Claims Records below, if applicable. If employer terms after the 15th of the month on the 16th day, then Pareto pays for the entire month. If they term on the 15th or prior to the 15th, then they do not pay for the month, unless they had services completed.
- 6.4. Claims Records. The Plan owns all claim files even though they may be in the possession of KCA. When this Agreement terminates, KCA shall provide to Plan Sponsor, or its designee, an electronic claim file in KCA's format. Records of the Plan shall be returned to the Plan Administrator or its designee upon termination of this Agreement, subject to the payment of all outstanding balances due KCA. The electronic or hard copy delivery of records shall be deemed in compliance with this Section. Notwithstanding anything in this Agreement to the contrary, at the time the transfer of records occurs, KCA shall be relieved of further responsibility for performing any of the services enumerated in this Agreement.
- 6.5. Outstanding Fees. Upon termination, Plan Sponsor agrees to remit to KCA any outstanding balances due. KCA shall have the right to retain all records as specified above until receipt of all outstanding monies due.
- 6.6. Run-Out. Plan Sponsor and KCA may agree in writing ("Run-Out Agreement") to have KCA adjudicate run-out claims which are incurred but not paid prior to the termination of this Agreement, in addition to adjudication of eligible Stop Loss claims referenced in 2.5 A. ("Run Out Claims") and the parties acknowledge and agree that, in the event the parties do not elect to enter into a Run-Out Agreement with respect to claims received after fourteen (14) days prior to the termination of this Agreement, KCA shall have no responsibility with respect to Run-Out Claims. Should Plan Sponsor elect to have KCA process Run-Out Claims upon termination, KCA will do so for a fee of 100% of the administrative fee per month applicable at the time of the request, payable in advance of providing such services. All Administrative Fees and claim funding must be current for service to be requested by Plan Sponsor.

SECTION 7 – INDEMNIFICATION

- 7.1. The Plan Sponsor agrees to indemnify KCA, its officers, directors and employees for and hold them harmless from any claim, liability, cost, loss, expense, penalties, fines, damage, or fees (including reasonable attorney and accountant

fees) ("Loss") which may be paid or incurred by KCA with respect to any Participant or any other person or persons (including any governmental authority) resulting from or in connection with the operation of the Plan, any Plan or Participant reporting obligations imposed on KCA by state or federal law or regulations, any action or inaction by Plan Sponsor with respect to the Plan, or Loss arising from the conduct of any provider unless such Loss results from KCA's gross negligence, willful misconduct or fraud. KCA may recover any Loss consistent with the funding of other expenses under the Plan pursuant to Section 3.01 E; however, nothing in this Section shall preclude KCA from pursuing any other remedy, at law or in equity, for recovery of any Loss.

- 7.2. KCA does not assume liability for the adequacy of funding of the Plan, and KCA is not, and shall not be deemed to be an insurer, underwriter, or guarantor with respect to any benefits payable under the Plan.
- 7.3. KCA agrees to indemnify and hold harmless Plan Sponsor from any claim, liability, cost, loss, expense, or damage (including reasonable attorney and accountant fees) which results from KCA's gross negligence, willful misconduct, or fraud in carrying out its duties pursuant to this Agreement.
- 7.4. If any payment is made to an ineligible KISx Card Provider for an ineligible claim, or if it is determined that more or less than the correct amount has been paid under the Plan by KCA, then KCA shall attempt to recover such payment or, when appropriate, adjust Participant's later claims. If KCA is unsuccessful in making any adjustment, it shall notify Plan Sponsor and KCA will reimburse Plan Sponsor for any overpayment or collect from Plan Sponsor any under payment due to a KIS. Card Provider for services rendered and owed.
- 7.5. KCA will provide assistance to Plan Sponsor or the Plan with respect to any disputes regarding stop-loss coverage, but only if the stop-loss carrier has agreed per 2.5 A. to include KISx Card Services applicable to specific or aggregate limits in the stop-loss contract.

SECTION 8 - GENERAL

- 8.1. Entire Agreement. The entire agreement between the parties concerning the subject matter hereof is incorporated into this document, the exhibit(s) with attached addenda; this Agreement supersedes all previous agreements whether oral or written between the parties concerning the subject matter hereof. This Agreement may not be amended without the express written consent of both parties.
- 8.2. Assignment. Neither party may assign this Agreement, its rights, or obligations under this Agreement without the prior written consent of the other party; provided however, KCA may assign its rights and obligations to any affiliated company of KCA. This Agreement shall be binding upon and inure to the benefit of and be enforceable against the parties hereto and their respective successors and permitted assignees. KCA may seek the services of others in performing its duties and obligations under this Agreement.
- 8.3. Compliance with Laws. Both parties shall comply with all applicable state and federal laws, regulations, rulings and judicial and administrative orders. If at any time there is a change in federal or state law or regulation which affects the administration of the Plan, KCA shall report the change to Plan Sponsor and at the option of KCA make a charge against Plan Sponsor for reimbursement of such administration costs including but not limited to postage.
- 8.4. Consultation with Plan Sponsor. KCA shall consult with and obtain prior approval from Plan Sponsor and/or legal counsel designated by Plan Sponsor when legal matters regarding the Plan arise. KCA shall not be obligated to defend against any legal action or claim for benefits by virtue of this Agreement.
- 8.5. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single agreement.
- 8.6. Governing Law. To the extent not preempted by ERISA, this Agreement shall be governed in accordance with the laws of the State of Pennsylvania, without regard to conflict of law provisions.
- 8.7. Headings. The headings of this Agreement are solely for the convenience of the parties and do not affect the meaning or interpretation of any provision of this Agreement.
- 8.8. Maintenance of Records. All records, as applicable, of KCA's internal claims review, determination of eligibility, authorization for adjudication, payment of claims, and any other financial records generated by KCA under this Agreement shall be maintained during the Term of this Agreement.
- 8.9. Notice. Any notice required to be given hereunder between the parties shall be written, effective upon receipt and shall be served by (i) facsimile (confirmation receipt received), (ii) personal delivery, or (iii) sent by overnight courier delivery service, or certified mail, return receipt requested to the address cited in the signature block of this Agreement or to such other address as shall be specified by like notice by either party.
- 8.10. Taxes. If at any time, the federal government or any state or any political subdivision or any instrumentality of either shall assess any tax or surcharge against the Plan, against KCA with respect to services provided hereunder or to

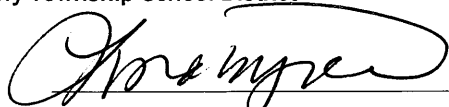
payments made by or for the Plan, or against any trust related to the Plan in any way and KCA is required to pay such tax or surcharge, KCA shall at its option make a charge against Plan Sponsor for reimbursement of such payment.

- 8.11. Waiver. Failure to enforce any provision of this Agreement does not affect the rights of the parties to enforce such provision in another circumstance. If any provision of this Agreement is determined to be unenforceable or invalid, such determination shall not affect the validity of the other provisions contained in this Agreement.
- 8.12. Audit. Plan Sponsor shall have the right, upon providing thirty (30) days prior written notice to KCA, to annually review, at its own expense, any records of KCA relating to benefit payments and requests for benefit payments under the Plan and the issuing of checks for payment of benefits under the Plan. Any examination of such records shall be carried out in a manner and timeframe mutually agreeable to KCA and Plan Sponsor. The examination will be based on a statistically valid sampling of benefit payments and requests for benefit payments under the Plan. The formula for such sampling shall be supplied in writing to KCA prior to the start of any audit. The audit will take place during normal business hours at the location of KCA.
- 8.13. Confidentiality. Each party acknowledges and agrees that all Confidential Information (defined below) it receives from the other party shall be held in strict confidence by the receiving party and its representatives and shall be used only to carry out the terms of this Agreement. Each party undertakes and agrees to use, and to cause each of its representatives to use all commercially reasonable means to safeguard the confidentiality of the other party's Confidential Information received and at least the same measures it uses to safeguard its own Confidential Information. "Confidential Information" means, as to any party, all information that is, or could reasonably be considered to be, proprietary or confidential information of that party including, without limitation, all documents, information, knowledge or data relating to that party's financial condition, financial information, customers, suppliers, product design, business plans, software programs, computer hardware, systems, sales strategies, pricing, contract terms, facilities, processes, and strategic plans regardless of the form, manner or medium by which the Confidential Information is recorded or disclosed. For sake of clarity, this Agreement is considered Confidential Information of KCA. Notwithstanding any other provision of this Agreement, it is expressly understood and agreed that neither party nor its representatives shall be liable for the disclosure of the other party's Confidential Information if such Confidential Information (a) is in the public domain at the time it is disclosed; or (b) was known to the receiving party on a non-confidential basis prior to the time of its initial receipt from the disclosing party; or (c) is disclosed with the disclosing party's prior written approval; or (d) is disclosed pursuant to the requirement of applicable law, court order, administrative agency, or other governmental authority; or (e) was developed independently by the receiving party prior to disclosure by the disclosing party, as demonstrated by the receiving party's records.
- 8.14. Use of Information. Notwithstanding anything to the contrary in any other agreement between the parties, in addition to using information to carry out its duties under this Agreement, KCA and its agents, employees and contractors may use, reproduce or adapt information obtained in connection with this Agreement, including claims under the Plan and eligibility information, in any manner it deems appropriate, except that KCA and its agents, employees and contractors shall maintain the confidentiality of such information to the extent required by applicable law, may not use the information in any way prohibited by law, and agree to use only information that has been de-identified at both the Plan and Participant level. Any work, compilation, processes, or inventions developed by KCA, or its respective agents, employees, or contractors as a result of any such use, reproduction or adaptation is deemed Confidential Information of KCA under this Agreement and is the sole and exclusive property of KCA. Plan Sponsor and KCA agree not to use the name, image, promotional material, stationary, letterhead or logotype of the other party or its parent, subsidiaries, or affiliates except as expressly authorized in writing by such other party.

IN WITNESS WHEREOF, KCA and Plan Sponsor have caused this Agreement to be executed in duplicate by their respective officers duly authorized to do so:

Derry Township School District

By:



Name:

Lindsay K. Drew

Title:

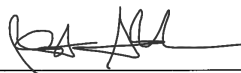
President, School Board

Date:

June 24, 2024

Inetico, LLC d/b/a Valenz Care / KISx Card

By:



Name:

Robert Gelb

Title:

CEO

Date:

08/28/2024



INTERVENTIONAL ORTHOPEDIC SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this ___ day of _____, 2024 ("Effective Date"), by and between Regenexx, LLC, a Delaware company with a principal place of business located at 6151 Thornton Ave., Suite 400, Des Moines, Iowa 50321 ("Regenexx"), and Derry Township School District Public School District in Derry Township with a principal place of business located at 30 C East Granada Avenue, Hershey, PA 17033 ("Company").

WHEREAS, Regenexx, develops and licenses proprietary medical technologies for non-surgical, interventional orthopedic medical services ("Interventional Services");

WHEREAS, Regenexx, licenses its proprietary medical technologies to licensed physicians across the country;

WHEREAS, through this network of licensed physicians, patients nationwide can access the Interventional Services;

WHEREAS, Company maintains health plans and/or workers' compensation coverage and benefits for its employees and their dependents;

WHEREAS, Company desirous of making available Regenexx's Interventional Services to their employees under their employee health plans, and where it is medically appropriate; and;

WHEREAS, the Company will amend its benefit plans to add the Interventional Services as a covered benefit;

WHEREAS, Regenexx will provide access to the Interventional Services to the employees of Company and their dependents under the terms and conditions set forth herein; and

WHEREAS, the parties hereto desire to document their agreement and understanding with regards to the provision of Interventional Services.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

- 1) **Interventional Orthopedic Services.** Regenexx shall provide access to the Interventional Services, when medically appropriate, to eligible employees of Company and their dependents in a professional and business-like manner and in full accordance with the standards and practices recognized in the industry.
- 2) **Term and Termination.** The term of this Agreement shall commence on the date hereof and shall

continue until _____ (the "Initial Term"). This Agreement shall be automatically renewed for successive one-year periods unless written notice of termination is given by either party at least thirty (30) days prior to the end of the term or renewal term. This Agreement may be terminated after the Initial Term by either party upon ninety (90) days' written notice.

- 3) **Rates.** Interventional Services shall be provided at the following charges and rates identified in Exhibit "A", attached hereto. The listed prices include biologic laboratory processing fees. All other services (e.g., office visits, physical therapy, follow up visits, etc.) will be billed at Regenexx's standard rates, which shall be comparable to charges for routine orthopedic encounters. It is acknowledged and agreed that the listed rates will not be re-priced by the Company's third-party plan payor or administrator. All charges shall be paid by the Company within thirty (30) days of receipt of Regenexx's invoice.
- 4) **Representations and Warranties.** Regenexx represents and warrants that it will ensure that the network of providers:
- a) has been screened by the Chief Medical Officer for their educational, professional and skills. All network physicians have an ongoing obligation to participate in continuing medical education and training in the field of interventional orthobiologics;
 - b) only utilize laboratory staff that have received training by Regenexx-authorized laboratory trainers;
 - c) carries out the Interventional Services in a manner consistent with the level of care and skill ordinarily exercised by other members of the medical profession practicing in the same locality, under similar conditions and at the date the Services are provided and/or performed;
 - d) employs or engages qualified staff to provide the Services;
 - e) performs all Services in compliance with all applicable local, state, and federal laws, regulations and ordinances;
 - f) provides Company written notice within a reasonable time period following the occurrence of events of which it becomes aware that would materially affect the Services provided under this Agreement including, but not limited to adverse events, malpractice claims, licensing issues, changes to qualified staff and facilities available to the provider;
 - g) will be audited regularly for quality assurance in both clinic and laboratory efficacy, safety, and sterility; and
 - h) maintains all records related to the Services for the period required by applicable local law.

In all events, Regenexx will require that network providers maintain professional liability insurance in an amount not less than \$3 million per occurrence and \$5 million in the aggregate, or such greater amount required by law or industry standards.

5) **Credentialing.**

- a) Regenexx represents and warrants that to the best of its knowledge, each of the network of medical professionals are duly licensed and qualified to provide the Services and are in good standing with federal, state, and local regulatory bodies. Regenexx further represents and warrants that all personnel employed by or contracted with Regenexx (a) are licensed or certified and supervised (when and as the law requires), and qualified by education, training, and experience to perform their professional duties; (b) act within the scope of their license or certification, as applicable; and (c) shall remain in compliance with all applicable terms of this Agreement.
 - b) With reasonable prior written notice, Company's third-party authorized representative may conduct credentialing of the medical professionals providing the Services under this Agreement. Regenexx agrees to provide requested credentialing information upon request by the Company's authorized representative, including but not limited to internal quality assessment protocols, state licenses and certifications, and federal agency certifications and/or registrations. Should any network provider refuse to undergo a credentialing review, that provider is prohibited from performing services to Company plan beneficiaries.
- 6) **Utilization Review.** To further impact the concern of rising health care costs and validate both the efficacy and cost-savings nature of interventional orthobiologics, Regenexx shall implement a precertification of care process. Regenexx shall collect the information necessary to validate that the Interventional Services treatment plan is both medically necessary and appropriate for the care needed by the Company's employees. Regenexx will also conduct ongoing monitoring of large care plans and retroactive review when appropriate. The Regenexx network of licensed providers must provide the materials needed to conduct utilization review in a timely basis as a precondition to treatment. Company may at any time review the utilization review criteria and process.
- 7) **Right to Audit.** Upon reasonable notice, and subject to all applicable state and federal laws regarding confidentiality of records, Company shall have the right, for the term of the Agreement and for two (2) years thereafter (or such other period required by law), to review, audit, examine and reproduce any of Regenexx's records related to the Services for compliance with this Agreement, including but not limited to: accuracy of charges and rates, appropriateness of billing, investigation of Company employees' grievances or complaints, and compliance with quality assurance. Regenexx shall cooperate in good faith with all audits and shall provide Company and its authorized representatives access to Regenexx's premises and records related to the Services for such purposes. Regenexx shall provide Company and its authorized representative access to records related to the Services upon reasonable advance written notice to Regenexx. All records related to the Services shall be provided at the sole cost and expense of Regenexx including, without limitation, any costs associated with making excerpts or transcripts, copying, reproducing, shipping, or mailing of records. A written result of all audits will be forwarded to Regenexx within thirty (30) days of said audit, and Regenexx will have thirty (30) days from the date of receipt of the audit results to (a) contest the audit results, or (b) reimburse Company or its health plans for any identified overpayments. If it is determined through audits or otherwise that overpayments have been made to Regenexx under this Agreement, any such overpayments shall be paid to Company or its health plans within thirty (30) days of such determination.

8) **Confidential Information.**

- a) During the course of their business relationship, each party may disclose to the other party certain information which the disclosing party considers proprietary and confidential, including but not limited to information concerning manufacturing and processing methods, business and technology plans, distribution strategies, sales, costs, pricing, marketing, customers, suppliers and research and development (collectively, "Confidential Information"). For purposes hereof, information that is already in the public domain or known by the receiving party at the time of disclosure by the disclosing party, or subsequently becomes available to the public or known by the receiving party without any breach of this Section, shall not be considered to be Confidential Information. The parties each agree that all Confidential Information shall be used by the receiving party solely for the purposes contemplated by this Agreement, shall be kept strictly confidential and shall not, without the disclosing party's prior written consent, be disclosed by the receiving party in any manner whatsoever, except as required to comply with applicable laws or regulations, or with a court or administrative order, subpoena, civil investigative demand or other legal process. The receiving party shall be liable for any failure of its employees, agents, or representatives to comply with the confidentiality obligations set forth in this Section. The confidentiality obligations set forth in this Section shall expire two (2) years following the expiration or termination of this Agreement.
- b) All patient information shall be regarded by both parties as confidential and both parties shall comply with all federal and state laws and regulations pertaining to confidentiality of patient records, including but not limited to the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder ("HIPAA").

- 9) **Referrals.** It is not the purpose of this Agreement to induce the referral of patients. The parties acknowledge that there is no requirement under this Agreement or any other agreement between Regenexx and Company that Company refer any patients to Regenexx for health care services or procedures. Additionally, no payment under this Agreement is in return for the referral of patients or services. Nothing in this Agreement shall preclude the Company from obtaining services from other providers or suppliers.

- 10) **Regulatory Compliance.** Each party shall operate its business and perform its obligations under this Agreement in accordance with all applicable federal, state, and local laws and regulations. This Agreement may be terminated by either party if it reasonably determines that continued participation in this Agreement could or reasonably may violate applicable laws, rules, and regulations; including, but not limited to those which may substantially and adversely affect Regenexx's third-party payor reimbursement (Medicare/Medicaid or other third party payor), the federal physician self-referral statute (42 U.S.C. § 1395nn) ("Stark Law"), or the federal health care program anti-kickback statute (42 U.S.C. § 1320a-7b(b)) ("Anti-Kickback Statute"), as may exist and be amended from time to time.

- 11) **Indemnification.** Each party agrees to indemnify, defend and hold harmless the other including its affiliates, and their respective officers, directors, shareholders, employees and agents for any and all losses, costs, claims, demands, liabilities, damages, judgments, taxes, interest charges, administrative penalties and expenses of any kind, including reasonable attorneys' fees, (i) arising from any acts or omission of the injuring party which constitute a material breach of an obligation hereunder or which, in the aggregate, constitute a failure on the part of the injuring party to perform its obligations under this Agreement in accordance with the provisions of this Agreement;

or (ii) due to the injuring party's negligence or material breach of its obligations under this Agreement, except to the extent that any such losses are caused by the negligence or willful misconduct of the injured party. If any action or proceeding is brought against an indemnified party by reason of any of the aforementioned causes, the indemnitor upon receiving notice thereof from the indemnified party, agrees to defend such action or proceeding by adequate counsel at its own expense.

- 12) **Assignment.** Unless in the circumstance of a change in control, this Agreement shall not be assigned by Company without the prior written approval of Regenexx, which approval shall not be unreasonably withheld. Regenexx may assign its rights together with its obligations hereunder in connection with any sale, transfer or other disposition of all or substantially all of Regenexx's core business assets, whether by merger, purchase of units or assets or otherwise, as the case may be. Upon such assignment, Regenexx shall cause any successor to expressly assume the obligations and rights of this Agreement. This Agreement shall not be altered, modified, supplemented or amended except pursuant to an instrument in writing signed by the parties hereto.
- 13) **Independent Contractor.** The parties to this Agreement understand and agree that their relationship is that of independent contractors. Nothing contained herein shall be construed or implied to create a partnership of joint venture between the parties, nor shall either party be considered an agent or employee of the other party.
- 14) **Waiver of Terms and Conditions.** The failure of either party in any one or more instances to enforce one or more of the terms or conditions of this Agreement, or to exercise any right or privilege in this Agreement, or the waiver by Regenexx or Company of any breach of the terms or conditions of this Agreement shall not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same shall continue and remain in force and effect as if no such waiver had occurred.
- 15) **Governing Law and Jurisdiction.** This Agreement and all matters arising out of or relating to this Agreement are governed by and construed in accordance with the laws of the State of Iowa, without regard to the conflict of laws provisions thereof. With respect to any dispute arising out of this Agreement, each party consents to the personal and exclusive jurisdiction and venue of the state courts located in Polk County, Iowa.
- 16) **Severability.** Every term or condition of this Agreement is severable from the others. Notwithstanding any possible future finding by a duly constituted authority that a particular term or provision is invalid, void, or unenforceable, this Agreement has been made with the clear intention that the validity and enforceability of the remaining parts, terms, and provisions shall not be affected thereby.
- 17) **Entire Agreement.** The terms and conditions set forth herein, constitute the entire understanding and agreement of both parties with respect to the Services. Any amendment or revision to this Agreement shall be in writing and signed by an authorized representative from each party.
- 18) **Amendments.** Changes to the terms and conditions of this Agreement may only be made by written agreement signed by authorized representatives of both parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

REGENEXX LLC, a Delaware company

By:

John Conway

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John Conway, Chief Operating Officer

Company:

Derry Township School District

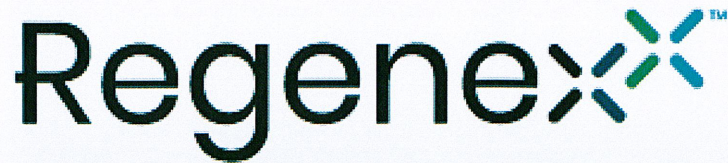
By:

Name:

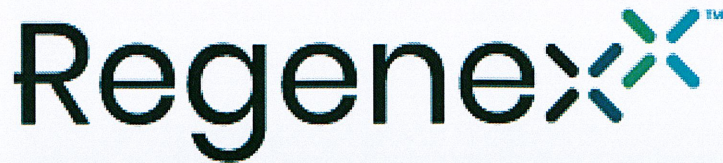
Title:

Lindsay K. Drew
Lindsay K. Drew

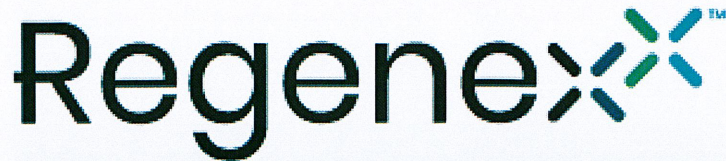
President, School Board



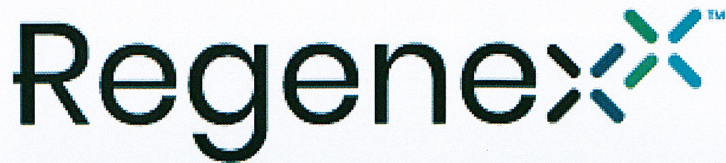
Description	2024 Rate
Office Visits - New - Limited	\$265.67
Office Visits - New - Intermediate	\$345.37
Office Visits - New - Extended	\$425.07
Office Visits - New - Comprehensive	\$511.41
Office Visits - Established - Brief	\$112.91
Office Visits - Established - Limited	\$166.04
Office Visits - Established - Intermediate	\$219.18
Office Visits - Established - Extended	\$272.31
Office Visits - Established - Comprehensive	\$325.44
Telephone evaluation and management service; 5-10 minutes of medical discussion	\$58.28
Telephone evaluation and management service; 11-20 minutes of medical discussion	\$146.48
Telephone evaluation and management service; 21-30 minutes of medical discussion	\$206.33
Prolotherapy - First Site	\$779.49
Prolotherapy - Additional Sites	\$300.31
SCP/PL - First Site	\$2,442.39
SCP/PL - Additional Sites	\$1,216.73
Same Day Stem Cell Procedure - First Site	\$7,145.30
Same Day Stem Cell Procedure - Additional sites	\$3,572.65
DDD 1-3 Levels	\$6,825.00
DDD 4+ Levels	\$9,712.50
Non-DDD PL service (facets, epidural, SI joint) 1-3 Levels	\$4,200.00
Non-DDD PL service (facets, epidural, SI joint) 4+ Levels	\$6,300.00
Intradiscal SD - 1 disc	\$2,703.75
Intradiscal SD - 2+ discs	\$4,987.50
Intradiscal PL/SCP - 1 disc	\$2,100.00
Intradiscal PL/SCP - 2+ discs	\$4,200.00
ALAR	\$24,885.00
Bone Augmentation (per bone)	\$1,948.72
Blood Processing Lab Fee - per 60cc	\$928.40
BMAC Processing Lab Fee - 60cc	\$1,200.00
BMAC Processing Lab Fee - 120cc	\$1,800.00
Injection, betamethasone acetate 3 mg and betamethasone sodium phosphate 3 mg	\$39.85
Injection, dexamethasone sodium phosphate, 1 mg	\$4.20
Injection, ropivacaine hydrochloride, 1 mg	\$0.09
Hyaluronan or derivative, genvisc 850, for intra-articular injection, 1 mg	\$9.87
Hyaluronan or derivative, orthovisc, for intra-articular injection, per dose	\$150.78
Hyaluronan or derivative, HYALGAN®, for intra-articular injection, per dose	\$95.95
Hyaluronan or derivative, HYMOVIS, for intra-articular injection, 1 mg	\$20.34



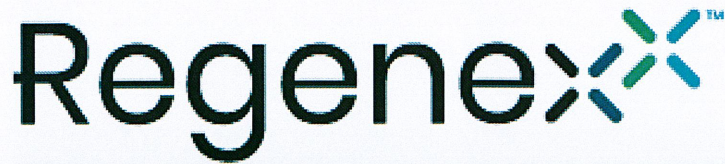
Description	2024 Rate
Hyaluronan or derivative, Euflexxa, for intra-articular injection, per dose	\$158.02
Synvisc (per 1 mg unit)	\$35.08
Monovisc (per dose)	\$2,365.71
Capsular Distention	\$839.65
Hydrodissection	\$839.65
Distention Injection	\$797.00
Trigger Point Injections - Single Tendon Sheath	\$199.25
Trigger Point Injections - Single Tendon Sheath - Bilateral	\$232.47
Trigger Point Injections - Single/Multiple 1-2 Muscles	\$166.04
Trigger Point Injections - Single/Multiple 1-2 Muscles - Bilateral	\$199.25
Trigger Point Injections - Single/Multiple 3+ Muscles	\$332.08
Trigger Point Injections - Single/Multiple 3+ Muscles - Bilateral	\$365.29
Arthrocentesis, Aspiration, and/or Injection Small Joint - w/o USN	\$166.04
Arthrocentesis, Aspiration, and/or Injection Small Joint - w/ USN	\$298.88
Arthrocentesis, Aspiration, and/or Injection Intermediate Joint - w/o USN	\$179.33
Arthrocentesis, Aspiration, and/or Injection Intermediate Joint - w/o USN - Bilateral	\$212.53
Arthrocentesis, Aspiration, and/or Injection Intermediate Joint - w/ USN	\$312.16
Arthrocentesis, Aspiration, and/or Injection Major Joint - w/o USN	\$199.25
Arthrocentesis, Aspiration, and/or Injection Major Joint - w/o USN - Bilateral	\$232.46
Arthrocentesis, Aspiration, and/or Injection Major Joint - w/ USN	\$332.08
Arthrocentesis, Aspiration, and/or Injection Major Joint - w/ USN - Bilateral	\$387.43
Injection(S), Of Diagnostic Or Therapeutic Substance(S) (Eg, Anesthetic, Antispasmodic, Opioid, Steroid, Other Solution), Not Including Neurolytic Substances, Including Needle Or Catheter Placement, Interlaminar Epidural Or Subarachnoid, Cervical Or Thoracic; Without Imaging Guidance	\$392.89
Injection(S), Of Diagnostic Or Therapeutic Substance(S) (Eg, Anesthetic, Antispasmodic, Opioid, Steroid, Other Solution), Not Including Neurolytic Substances, Including Needle Or Catheter Placement, Interlaminar Epidural Or Subarachnoid, Cervical Or Thoracic; With Imaging Guidance (Ie, Fluoroscopy Or Ct)	\$636.94
Injection(S), Including Indwelling Catheter Placement, Continuous Infusion Or Intermittent Bolus, Of Diagnostic Or Therapeutic Substance(S) (Eg, Anesthetic, Antispasmodic, Opioid, Steroid, Other Solution), Not Including Neurolytic Substances, Interlaminar Epidural Or Subarachnoid, Cervical Or Thoracic; Without Imaging Guidance	\$332.88
Injection(S), Including Indwelling Catheter Placement, Continuous Infusion Or Intermittent Bolus, Of Diagnostic Or Therapeutic Substance(S) (Eg, Anesthetic, Antispasmodic, Opioid, Steroid, Other Solution), Not Including Neurolytic Substances, Interlaminar Epidural Or Subarachnoid, Cervical Or Thoracic; With Imaging Guidance (Ie, Fluoroscopy Or Ct)	\$609.74
Injection(S), Anesthetic Agent(S) And/Or Steroid; Greater Occipital Nerve	\$175.25
Injection(S), Anesthetic Agent(S) And/Or Steroid; Vagus Nerve	\$183.25
Injection(S), Anesthetic Agent(S) And/Or Steroid; Brachial Plexus	\$268.05
Injection(S), Anesthetic Agent(S) And/Or Steroid; Axillary Nerve	\$331.28



Description	2024 Rate
Injection(S), Anesthetic Agent(S) And/Or Steroid; Suprascapular Nerve	\$398.50
Injection(S), Anesthetic Agent(S) And/Or Steroid; Suprascapular Nerve - Bilateral	\$464.92
Injection(S), Anesthetic Agent(S) And/Or Steroid; Intercostal Nerve, Single Level	\$235.26
Injection(S), Anesthetic Agent(S) And/Or Steroid; Intercostal Nerve, Each Additional Level	\$79.21
Injection(S), Anesthetic Agent(S) And/Or Steroid; Ilioinguinal, Iliohypogastric Nerves	\$270.46
Injection(S), Anesthetic Agent(S) And/Or Steroid; Pudendal Nerve	\$228.84
Injection(S), Anesthetic Agent(S) And/Or Steroid; Paracervical (Uterine) Nerve	\$188.04
Injection(S), Anesthetic Agent(S) And/Or Steroid; Sciatic Nerve	\$302.47
Injection(S), Anesthetic Agent(S) And/Or Steroid; Femoral Nerve	\$225.01
Injection of Anesthetic Agent (Nerve Block), Diagnostic or Therapeutic Procedures on the Somatic/Peripheral Nerves	\$232.46
Injection of Anesthetic Agent (Nerve Block), Diagnostic or Therapeutic Procedures on the Somatic/Peripheral Nerves - Bilateral	\$298.88
Injection(S), Anesthetic Agent(S) And/Or Steroid; Nerves Innervating The Sacroiliac Joint, With Image Guidance (Ie, Fluoroscopy Or Computed Tomography)	\$526.52
Paravertebral Block (Pvb) (Paraspinous Block), Thoracic; Single Injection Site (Includes Imaging Guidance, When Performed)	\$316.07
Paravertebral Block (Pvb) (Paraspinous Block), Thoracic; Second And Any Additional Injection Site(S) (Includes Imaging Guidance, When Performed)	\$174.44
Paravertebral Block (Pvb) (Paraspinous Block), Thoracic; Continuous Infusion By Catheter (Includes Imaging Guidance, When Performed)	\$531.31
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); cervical or thoracic, single level	\$552.71
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); cervical or thoracic, single level - bilateral	\$829.06
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); cervical or thoracic, each additional level	\$264.18
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); cervical or thoracic, each additional level - bilateral	\$396.26
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); lumbar or sacral, single level	\$514.92
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); lumbar or sacral, single level - bilateral	\$772.37
Injection(s), anesthetic agent and/or steroid, transforaminal/interlaminar epidural, with imaging guidance (fluoroscopy or CT); lumbar or sacral, each additional level	\$212.58
Injection(s), anesthetic agent and/or steroid, transforaminal epidural, with imaging guidance (fluoroscopy or CT); lumbar or sacral, each additional level - bilateral	\$318.87
Intraarticular joint or medial branch block (MBB) – cervical or thoracic (1st level)	\$457.70
Intraarticular joint or medial branch block (MBB) – cervical or thoracic (2nd level)	\$231.25
Intraarticular joint or medial branch block (MBB) – cervical or thoracic (3rd level)	\$232.05
Intraarticular joint or medial branch block (MBB) – lumbar or sacral (1st level)	\$420.09



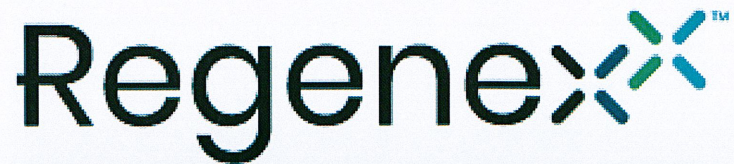
Description	2024 Rate
Intraarticular joint or medial branch block (MBB) – lumbar or sacral (2nd level)	\$215.24
Intraarticular joint or medial branch block (MBB) – lumbar or sacral (3rd level)	\$215.24
Injection, Anesthetic Agent; Sphenopalatine Ganglion	\$320.86
Injection, Anesthetic Agent; Stellate Ganglion (Cervical Sympathetic)	\$348.08
Injection, Anesthetic Agent; Superior Hypogastric Plexus	\$459.31
Injection, Anesthetic Agent; Lumbar Or Thoracic (Paravertebral Sympathetic)	\$546.52
Injection, Anesthetic Agent; Celiac Plexus, With Or Without Radiologic Monitoring	\$549.73
Destruction By Neurolytic Agent, Intercostal Nerve	\$546.52
Destruction By Neurolytic Agent; Other Peripheral Nerve Or Branch	\$600.93
Unlisted Procedure, Nervous System	\$350.70
XR Orbits (for detection of foreign body)	\$66.78
XR Soft Tissue Neck	\$67.64
XR Rib, 2 views	\$74.12
XR Ribs w. PA chest, 3 views	\$88.30
XR Ribs bilat, 3 views	\$90.86
XR Ribs bilat w. PA chest, min 4 views	\$115.33
XR Sternum, min 2 views	\$71.36
XR Sternoclavicular JTS	\$87.43
XR Cervical, 2-3 views	\$80.57
XR Cervical, complete, 4 or 5 views	\$108.85
XR Cervical, 6 or more views	\$136.31
XR Thoracic, 2 views	\$76.30
XR Thoracic, 3 views	\$83.52
XR Thoracic, min 4 views	\$94.65
XR Thoracolumbar, 2 views	\$81.05
XR Spine AP/LAT	\$171.43
XR Lumbar, 2 or 3 views	\$84.85
XR Lumbar, min 4 views	\$118.73
XR Lumbar w. bending view, complete, min 6 views	\$151.33
XR Pelvis, 1 or 2 views	\$66.39
XR Pelvis, 1 or 2 views - Bilateral	\$99.59
XR Pelvis, min 3 views	\$92.45
XR Pelvis, min 3 views - Bilateral	\$138.68
XR SI JTS, 1 or 2 views	\$68.49
XR SI JTS, min 3 views	\$79.80
XR Sacrum/Coccyx, min 2 views	\$67.64
XR Clavicle	\$67.16
XR Clavicle - Bilateral	\$100.74



Description	2024 Rate
XR Scapula, complete,	\$72.40
XR Scapula, complete - Bilateral	\$108.59
XR Shoulder, 1 view	\$55.93
XR Shoulder, 1 view - Bilateral	\$83.89
XR Shoulder, complete, min 2 views	\$69.92
XR Shoulder, complete, min 2 views - Bilateral	\$104.89
XR AC JTS, bilat	\$86.37
XR Humerus, 2 views	\$64.70
XR Humerus, 2 views - Bilateral	\$97.03
XR Elbow, 2 views	\$66.20
XR Elbow, 2 views - Bilateral	\$96.97
XR Elbow, complete, min 3 views	\$75.79
XR Elbow, complete, min 3 views - Bilateral	\$98.11
XR Forearm	\$62.41
XR Forearm - Bilateral	\$93.60
XR Wrist, 2 views	\$70.57
XR Wrist, 2 views - Bilateral	\$105.84
XR Wrist, min 3 views	\$85.23
XR Wrist, min 3 views - Bilateral	\$127.84
XR Hand, 2 views	\$63.25
XR Hand, 2 views - Bilateral	\$94.88
XR Hand, complete, min 3 views	\$73.62
XR Hand, complete, min 3 views - Bilateral	\$109.10
XR Finger(s)	\$74.94
XR Hip unilateral w. pelvis, 1 view	\$71.76
XR Hip unilateral w. pelvis, 2-3 views	\$100.26
XR Hip unilateral w. pelvis, min 4 views	\$125.10
XR Hip bilateral w. pelvis, 2 views	\$96.01
XR Hip bilateral w. pelvis, 3-4 views	\$118.49
XR Hip bilateral w. pelvis, min 5 views	\$137.43
XR Femur, 1 view	\$67.29
XR Femur, 1 view - Bilateral	\$100.94
XR Femur, min 2 views	\$78.59
XR Femur, min 2 views - Bilateral	\$117.88
XR Knee, 1 or 2 views	\$70.67
XR Knee, 1 or 2 views - Bilateral	\$106.00
XR Knee, 3 views	\$82.76
XR Knee, 3 views - Bilateral	\$124.13



Description	2024 Rate
XR Knee, complete, min 4 views	\$96.44
XR Knee, complete, min 4 views - Bilateral	\$144.66
XR Knee bilat AP standing	\$79.22
XR Tibia & Fibula, 2 views	\$64.22
XR Tibia & Fibula, 2 views - Bilateral	\$96.32
XR Ankle, 2 views	\$65.81
XR Ankle, 2 views - Bilateral	\$98.75
XR Ankle, complete, min 3 views	\$75.79
XR Ankle, complete, min 3 views - Bilateral	\$113.69
XR Foot, 2 views	\$62.41
XR Foot, 2 views - Bilateral	\$93.60
XR Foot, complete, min 3 views	\$70.19
XR Foot, complete, min 3 views - Bilateral	\$105.28
XR Calcaneus (heel)	\$64.99
XR Calcaneus (heel) - Bilateral	\$97.47
XR Toe(s), min 2 views	\$67.24
Cineradiography/videoradiography to complement routine examination	\$40.95
Diagnostic Ultrasound - Extremity Complete	\$332.08
Diagnostic Ultrasound - Extremity Complete - Bilateral	\$365.29
Diagnostic Ultrasound - Extremity Limited	\$132.83
Diagnostic Ultrasound - Extremity Limited - Bilateral	\$166.04
Application of finger splint; static	\$110.07
Application of finger splint; dynamic	\$127.27
Tennis Elbow Strap	\$49.13
Padded Arm Sling	\$30.71
Finger Splint	\$3.98
Aluminum Crutch	\$70.73
SI Belt Stabilization Pad	\$23.91
Aspen Horizon 456 TLSO	\$128.51
SI Belt	\$154.22
Aspen Horizon 631 LSO	\$1,400.44
Horizon 627 Lumbar (OTS Fit)	\$884.81
Hip Unloader Brace	\$2,637.91
Knee Sleeve	\$128.29
Knee KO Elast w/Condorylr Pads & Jnt	\$170.16
Dynatrack Patella Stabilizer	\$170.16
Dual ROM Knee Brace	\$779.32
Knee Orthosis, Single Upright	\$1,224.04



Description	2024 Rate
Knee Orthosis, Double Upright	\$1,047.71
Fusion Lateral OA Plus Prefabricated (OTS Fit)	\$1,669.45
Ankle Brace	\$108.00
Carbon Fiber Insole Foot	\$167.08
Arm SmartSling	\$189.11
Thumb Spica Splint	\$310.40
Wrist Splint	\$76.37
Thumb Soft Splint	\$43.73
Finger orthosis (FO), proximal interphalangeal (PIP)/distal interphalangeal (DIP), without joint/splint, extension/flexion (e.g., static or ring type)	\$59.51
Universal Wrist Lacer, 8 in	\$116.86
Rebound Air Walker	\$354.92
Low Top Cam Walker	\$216.30
Night Splint	\$101.64
Finger splint, static	\$3.96
Mod sed oth phys/qhp 5/>yrs - first 15 minutes	\$150.43
Mod sed other phys/qhp ea 15 minute increment	\$121.85
General Anesthesia	\$143.33

**DERRY TOWNSHIP
SCHOOL DISTRICT**

FINANCIAL REPORT

JUNE 30, 2023

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INDEPENDENT AUDITOR'S REPORT

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Derry Township School District (District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the District, as of June 30, 2023, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 statements.
- 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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the Contents and 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the Contents and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Boyer & Fitter". The signature is written in black ink and is positioned in the center of the page.

Camp Hill, Pennsylvania
June 10, 2024

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2023

The *Management Discussion and Analysis* (MD&A) provides an overall review and insight into the District's financial activities for the fiscal years ended June 30, 2023 and 2022. This MD&A summarizes the district's financial performance as a whole. Therefore, the reader should also review the entire financial statements, including the Notes to Financial Statements, as well as the independent auditor's transmittal letter, to enhance their understanding of the district's financial performance.

Background

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) Statement No. 34. Certain condensed comparative analyses of financial statements have been presented in these statements.

Pre-GASB No. 34 standards required use of the modified accrual system of accounting for revenues (no receivables/accruals beyond 60 days). In addition, pre-GASB No. 34 standards also did not record depreciation expense on capital assets and did not require reporting of net assets of various funds. GASB No. 34 now requires full accrual of revenue and calculating depreciation on capital assets.

Financial Highlights

In accordance with GASB Statement No. 54, the District has recorded as a Permanent Fund the fair market value of assets held in trust by Fulton Financial Advisors under a bequest made by Milton S. Hershey. As of 2023 and 2022, the value of this fund was \$48,134,693 and \$45,488,795, respectively. The fund balance is classified as "Nonspendable" due to the restrictive nature of the trust since the District has use of income only.

Also, in accordance with GASB 54, the Board of School Directors adopted Policy 620, Fund Balance. This policy classifies the General Fund Balance based on the relative strength of constraints that control the purposes for which specific amounts can be spent. Effective June 30, 2012, fund balances are now reported in the following classifications:

Nonspendable	Amounts that cannot be spent because they are in a nonspendable form (such as inventory and notes receivable).
Restricted	Amounts limited by external parties (grants or donations).
Committed	Amounts limited by Board policy (future anticipated costs).
Assigned	Amounts intended for a particular purpose.
Unassigned	Amounts available for consumption or not restricted in any manner.

Board Policy 625 and 625.1 limit amounts that may be accumulated in the General Fund. Policy 625, Fund Balance, provides that the District shall maintain an unassigned General Fund Balance of not less than 3% of expenditures, and not more than the amount allowed by the Commonwealth of Pennsylvania, currently 8% of budgeted expenditures. The Board of School Directors will approve committed fund balances designated for future anticipated costs.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2023**

The accompanying Fund Balance Review, on page 5, summarizes General Fund activity for the current and prior year. Total Fund Balance increased by \$4,175,562 and \$2,921,308 for the years ended June 30, 2023 and 2022, respectively.

The District has committed a portion of the General Fund Balance for future state retirement costs, for the District's self-insured medical plan and for future capital plans. The committed portion of the General Fund Balance for future retirement costs and for the District's self-insured medical plan is \$500,000 and \$2,000,000, for year ended June 30, 2023, respectively and \$2,100,000 and \$500,000 for year ended June 30, 2022, respectively. The committed portion of the General Fund Balance for future capital plans for the years ended June 30, 2023 and 2022 is \$7,000,000 and \$3,000,000.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2023 AND 2022
FUND BALANCE REVIEW

	Nonspendable Inventory and Prepays	Nonspendable Note Receivable	Committed Retirement Stabilization	Committed Health Benefits	Committed Capital Planning	Unassigned General	Total General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Nonspendable Permanent Fund
Fund Balance - 6/30/2021	\$ 148,030	\$ 23,426	\$ 500,000	\$ 2,384,692	\$ -	\$ 4,888,935	\$ 7,945,083	\$ 6,022,673	\$ 193,459	\$ 54,012,098
2021-2022 Activity										
Increase (Decrease)	108,719	(23,426)	-	(284,692)	3,000,000	120,707	2,921,308	671,477	(996)	(8,523,303)
Fund Balance - 6/30/22	256,749	-	500,000	2,100,000	3,000,000	5,009,642	10,866,391	6,694,150	192,463	45,488,795
2022-2023 Activity										
Increase (Decrease)	17,338	-	-	(100,000)	4,000,000	258,224	4,175,562	316,176	(15,399)	2,645,898
Fund Balance - 6/30/23	\$ 274,087	\$ -	\$ 500,000	\$ 2,000,000	\$ 7,000,000	\$ 5,267,866	\$ 15,041,953	\$ 7,010,326	\$ 177,064	\$ 48,134,693

2022-2023 revenues from all sources, local, state, federal and other exceeded budgeted revenues by \$2,569,901 or about 3.6%. Although it was unknown how the COVID-19 pandemic would affect the 2022-2023 school year, the local Derry Township economy rebounded more quickly than had been anticipated. The most significant increase was in local revenues which surpassed the budgeted revenues by more than \$1.7 million. Collections of current Earned Income Taxes and Amusement Taxes were the most significant local revenues collected greater than budget. The PA State Budget was only passed July 8, 2022 and included increases in subsidy funding to PA state schools. The actual Basic Education Subsidy received in the 2022-2023 school year exceeded budget by \$1 million.

2022-2023 actual expenditures were less than budgeted expenditures by \$1,677,831. Personnel Services (salaries) were \$600,000 under budget due to unfilled positions during the school year. This resulted in employee benefits also being under budget by \$1.3 million primarily due to reductions in PSERS and medical benefits. Expenses in Plant Operations & Maintenance exceeded budget by \$1 million primarily due to rising energy costs. Cyber School tuition rates continue to rise. Although the enrollment in cyber schools has dropped, the actual expense exceeded budget by \$200,000.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2023

Annual Financial Report

The governmental statements consist of the Statement of Net Assets and the Statement of Activities. These governmental statements combine governmental activities with business-type activities. The governmental activities include most of the District's programs and operations such as instruction, support services, plant operation and maintenance, pupil transportation and extracurricular activities. The business activities include services provided on a charge basis to recover the expenses of the services provided. The food service enterprise fund is reported as a business-type activity.

The Statement of Net Assets is a government-wide statement that summarizes the District's assets and liabilities in their entirety. It includes capital assets, net of a provision for accumulated depreciation, as well as long-term debt (mainly bonds payable).

The Statement of Activities is a government-wide statement that summarizes expenditures among the eight largest functions, as well as each program's net cost (total cost less subsidies, revenues generated by the activity, unrestricted grants and contributions by other organizations). It includes depreciation expense not previously recorded, and interest expense previously reported only in the debt service fund. The Governmental Funds Balance Sheet includes only assets expected to be used or consumed, and liabilities which will be due during the next year. Neither capital assets nor long-term debt are included. Note 1B to the Financial Statements explains the financial statements presentation in detail.

Fund Financial Statements

The Fund Statements present financial information in greater detail than the District-wide statements. Major funds are reported in separate columns, while non-major funds are aggregated and presented in a single column.

Governmental Funds are used to report most of the District's activities and focus on the flow of cash and other assets to and from the funds, and the remaining fund balances at the end of the fiscal year, which are available to be used in future periods. The governmental funds use the modified accrual method of accounting that measures cash and assets that can be readily converted to cash. The governmental funds provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine if there are greater or less financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities reported in the Statement of Net Assets and the Statement of Activities and governmental funds is reconciled in the financial statements.

Proprietary Funds are used to report District activities that are similar to business operations in the private sector. The Food Service Fund and the Granada Project Fund are the District's proprietary funds. Proprietary funds use the accrual method of accounting; therefore, proprietary fund reports will match, in all essential respects, the business-type activities portion of the government-wide statements.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, are used to support school programs. The District is a beneficiary under the will of Milton S. Hershey and receives quarterly income distributions calculated annually at approximately 4% of the March 31st market value, in accordance with procedures established by the Pennsylvania Attorney General. The distributions support the overall academic programs of the District.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2023

Fiduciary Funds are those funds that the District is the trustee, or fiduciary. Donations or bequests designated for scholarships are the primary fiduciary funds. Donors specify how the funds may be used. Since the funds may not be used for any other purpose, they are excluded from other District funds because the District is prohibited from using these funds to finance any other activities. The District's fiduciary activities are reported in separate Statements of Fiduciary Net Position.

The analysis of the District's major funds provides detailed information about the most significant funds - not the District as a whole. Some funds are required by state statute, while other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's four types of funds: governmental, proprietary, permanent and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2023 AND 2022
STATEMENT OF NET POSITION

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows						
Current and other assets	\$ 79,015,715	\$ 1,486,605	\$ 80,502,320	\$ 71,962,274	\$ 1,735,495	\$ 73,697,769
Capital assets	65,744,233	269,676	66,013,909	69,362,350	343,488	69,705,838
Deferred outflow of resources	13,899,130	281,749	14,180,879	15,642,971	315,954	15,958,925
Total assets and deferred outflows	<u>\$ 158,659,078</u>	<u>\$ 2,038,030</u>	<u>\$ 160,697,108</u>	<u>\$ 156,967,595</u>	<u>\$ 2,394,937</u>	<u>\$ 159,362,532</u>
Liabilities and Deferred Inflows						
Current liabilities	\$ 12,469,757	\$ (772,205)	\$ 11,697,552	\$ 12,431,699	\$ (173,713)	\$ 12,257,986
Non-current liabilities	111,956,694	2,027,854	113,984,548	116,019,535	1,983,983	118,003,518
Deferred inflows of resources	10,707,693	218,239	10,925,932	18,523,088	378,102	18,901,190
Total liabilities and deferred inflows	<u>\$ 135,134,144</u>	<u>\$ 1,473,888</u>	<u>\$ 136,608,032</u>	<u>\$ 146,974,322</u>	<u>\$ 2,188,372</u>	<u>\$ 149,162,694</u>
Net Position						
Net investment in capital assets	\$ 52,489,446	\$ 269,676	\$ 52,759,122	\$ 50,268,183	\$ 343,488	\$ 50,611,671
Restricted	52,161,984	-	52,161,984	49,240,997	-	49,240,997
Unrestricted	(81,126,496)	294,466	(80,832,030)	(89,515,907)	(136,923)	(89,652,830)
Total net position	<u>\$ 23,524,934</u>	<u>\$ 564,142</u>	<u>\$ 24,089,076</u>	<u>\$ 9,993,273</u>	<u>\$ 206,565</u>	<u>\$ 10,199,838</u>

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2023 AND 2022
STATEMENT OF ACTIVITIES

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program Revenues:						
Charges for services and sales	\$ 806,664	\$ 1,152,244	\$ 1,958,908	\$ 698,960	\$ 864,846	\$ 1,563,806
Operating grants and contributions	17,111,978	1,204,167	18,316,145	15,626,739	2,002,159	17,628,898
Total program revenues:	17,918,642	2,356,411	20,275,053	16,325,699	2,867,005	19,192,704
General Revenues, Transfers and Special Item:						
Property taxes	40,979,432	-	40,979,432	39,178,400	-	39,178,400
Act 511 taxes	11,214,797	-	11,214,797	11,228,694	-	11,228,694
State property tax relief	838,505	-	838,505	672,468	-	672,468
Investment earnings	5,542,713	19,989	5,562,702	(5,417,066)	2,024	(5,415,042)
Miscellaneous	351,964	-	351,964	244,325	-	244,325
Gain on disposal of fixed assets	-	-	-	(309,566)	-	(309,566)
Capital contributions	-	-	-	-	-	-
Transfers	483	(483)	-	(303,242)	303,242	-
Total general revenues, transfers and special item	58,927,894	19,506	58,947,400	45,294,013	305,266	45,599,279
Total revenues	76,846,536	2,375,917	79,222,453	61,619,712	3,172,271	64,791,983
Expenses						
Program Expenses:						
Instruction	39,372,422	-	39,372,422	39,346,241	-	39,346,241
Instructional student support	6,518,163	-	6,518,163	6,190,280	-	6,190,280
Administrative and financial support services	6,729,430	-	6,729,430	6,541,062	-	6,541,062
Operation and maintenance of plant services	6,992,697	-	6,992,697	6,546,815	-	6,546,815
Pupil transportation	3,073,212	-	3,073,212	3,274,212	-	3,274,212
Student activities	2,397,854	-	2,397,854	1,900,713	-	1,900,713
Community services	11,814	-	11,814	11,659	-	11,659
Food service	-	1,886,224	1,886,224	-	1,831,234	1,831,234
Granada project	-	132,116	132,116	-	478,262	478,262
Total program expenses	65,095,592	2,018,340	67,113,932	63,810,982	2,309,496	66,120,478
Interest and Fiscal Charges	603,362	-	603,362	475,262	-	475,262
Total expenses	65,698,954	2,018,340	67,717,294	64,286,244	2,309,496	66,595,740
(Decrease) increase in net position	11,147,582	357,577	11,505,159	(2,666,532)	862,775	(1,803,757)
Net position (deficit) - beginning	9,993,273	206,565	10,199,838	12,659,805	(656,210)	12,003,595
Prior period adjustment	2,384,079	-	2,384,079	-	-	-
Net position (deficit) - beginning (as restated)	12,377,352	206,565	12,583,917	12,659,805	(656,210)	12,003,595
Net position (deficit) - ending	\$ 23,524,934	\$ 564,142	\$ 24,089,076	\$ 9,993,273	\$ 206,565	\$ 10,199,838

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2023

District Budget

The District's budget is prepared in accordance with Pennsylvania law and is based on accounting for certain transactions based on cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The budgeting system controls expenses by classifying expenses by functional areas and by type of expense. A summary of budget to actual results for 2022-2023, is shown in the review below:

DERRY TOWNSHIP SCHOOL DISTRICT MANAGEMENT DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2023 GENERAL FUND SPENDING REVIEW					
	Budgeted Amounts				Variance with Final Budget
	Original Budget	Final Budget	Actual Amounts		Pos (Neg)
REVENUES					
6000 Local Sources	\$ 52,287,237	\$ 52,287,237	\$ 53,961,349	\$	1,674,112
7000 State Sources	13,484,600	13,484,600	14,265,528		780,928
8000 Federal Sources	3,206,965	3,206,965	3,206,343		(622)
9000 Other Financing Sources	2,324,869	2,324,869	2,440,352		115,483
Total Revenues	71,303,671	71,303,671	73,873,572		2,569,901
EXPENDITURES					
1100 Regular Programs	30,348,486	30,307,947	28,008,930		2,299,017
1200 Special Programs	9,098,071	9,235,337	8,954,187		281,150
1300 Vocational Programs	1,656,882	1,662,502	1,553,567		108,935
1400 Other Instructional Programs	151,971	151,971	164,684		(12,713)
1700 Community College	-	-	135,944		(135,944)
2100 Pupil Personnel	2,337,638	2,358,266	2,193,467		164,799
2200 Instructional Staff Services	3,165,077	3,165,077	3,036,698		128,379
2300 Administrative Services	3,994,400	3,944,700	4,157,310		(212,610)
2400 Pupil Health	1,118,706	1,131,947	1,215,084		(83,137)
2500 Business Services	876,566	850,566	845,547		5,019
2600 Plant Operation & Maintenance	5,896,164	5,896,740	6,930,716		(1,033,976)
2700 Pupil Transportation	3,373,752	3,372,564	3,087,799		284,765
2800 Central	1,682,618	1,701,206	1,544,809		156,397
2900 Other Support Services	51,804	51,804	52,269		(465)
3200 Student Activities	2,168,353	2,089,861	1,898,176		191,685
3300 Community Services	19,154	19,154	11,915		7,239
5110 Debt Service	290,000	290,000	981,632		(691,632)
5120 Refund of Prior Years Receipts	-	-	5,076		(5,076)
5200 Interfund Transfers	5,146,199	5,146,199	4,920,200		225,999
Total Expenditures	71,375,841	71,375,841	69,698,010		1,677,831
CHANGE IN FUND BALANCE	\$ (72,170)	\$ (72,170)	\$ 4,175,562	\$	4,247,732

As noted earlier, 2022-2023 actual revenues exceeded budgeted revenues by \$2,569,901.

2022-2023 actual expenditures were less than budgeted expenditures by \$1,677,831.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2023

Capital Assets

The schedule below reflects capital assets owned by the District, net of accumulated depreciation. For comparative purposes, the schedule reflects both the current and the preceding year.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2023 AND 2022
CAPITAL ASSETS

	2023			2022		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,047,274	\$ -	\$ 1,047,274	\$ 1,047,274	\$ -	\$ 1,047,274
Construction-in-progress	61,219	-	61,219	601,268	-	601,268
Site improvements	2,523,062	-	2,523,062	2,990,672	-	2,990,672
Building and building improvements	58,318,299	-	58,318,299	61,322,875	-	61,322,875
Furniture and equipment	3,218,385	269,676	3,488,061	3,243,335	343,488	3,586,823
	<u>\$ 65,168,239</u>	<u>\$ 269,676</u>	<u>\$ 65,437,915</u>	<u>\$ 69,205,424</u>	<u>\$ 343,488</u>	<u>\$ 69,548,912</u>

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2023

Debt

The District did not issue any new debt during 2022-2023, The District continues to maintain a AAA credit rating as issued by Standard & Poor's. This rating is the highest rating that can be achieved. This places the District among only a handful of Pennsylvania districts with that rating.

Current Issues

On June 27, 2006, Pennsylvania's governor signed Act 1 of Special Session 2006 into law. This legislation is far-reaching and complex and includes provisions for District property tax reduction funded through gaming revenue, facilitates a tax reduction and possible tax shift through imposition of additional earned income tax or personal income tax, requires voter approval through a "back end referendum" for real estate tax rate increases beyond a state-calculated index and created a Local Tax Study Commission to submit a recommendation to the Board regarding the tax shifting noted above. The Act also requires adoption of a preliminary budget as much as six months earlier than in the past.

The District is required to make contributions to the Pennsylvania State Employees Retirement System (PSERS) which covers substantially all employees. Although contribution rates were projected to increase, the contribution rate for 2023-2024 is actually being reduced compared to the current rate. The PSERS Board of Trustees will continue to monitor the performance of the fund as it sets the rates going forward. Historic rates have been as follows:

2013-2014	16.93%
2014-2015	21.40%
2015-2016	25.84%
2016-2017	30.03%
2017-2018	32.57%
2018-2019	33.43%
2019-2020	34.29%
2020-2021	34.51%
2021-2022	34.94%
2022-2023	35.26%
2023-2024	34.00%

The Commonwealth of Pennsylvania provides a subsidy for one-half of the retirement contributions.

Contacting the District's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, students, staff, investors and creditors with a general overview of the Derry Township School District's finances and to show the Board of School Directors' accountability for the funds the District receives. Questions about this report or requests for additional financial information should be directed to the Business Manager at Derry Township School District, 30A East Granada Avenue, Hershey, PA 17033, (717) 534-2501.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2023

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 22,253,242	\$ 1,385,733	\$ 23,638,975
Taxes receivable - net of allowance	2,581,845	-	2,581,845
Due from other governments	5,225,143	4,909	5,230,052
Other receivables	546,705	2,764	549,469
Inventories	148,541	93,199	241,740
Prepaid expense	125,546	-	125,546
Total current assets	30,881,022	1,486,605	32,367,627
Noncurrent Assets			
Land	1,047,274	-	1,047,274
Construction-in-progress	61,219	-	61,219
Site improvements - net of accum. depreciation	2,523,062	-	2,523,062
Buildings and improvements - net of accum. depreciation	58,318,298	-	58,318,298
Furniture and equipment - net of accum. depreciation	3,218,386	269,676	3,488,062
Right-to-use leased equipment - net of accum. amortization	575,994	-	575,994
Beneficial interest in perpetual trust	48,134,693	-	48,134,693
Total noncurrent assets	113,878,926	269,676	114,148,602
Total assets	\$ 144,759,948	\$ 1,756,281	\$ 146,516,229
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 12,666,000	\$ 258,000	\$ 12,924,000
Deferred amounts on OPEB liabilities	1,161,884	23,749	1,185,633
Deferred amounts related to refunding debt	71,246	-	71,246
Total deferred outflows of resources	\$ 13,899,130	\$ 281,749	\$ 14,180,879
Total assets and deferred outflows of resources	\$ 158,659,078	\$ 2,038,030	\$ 160,697,108

See Notes to Financial Statements.

	Governmental Activities	Business-Type Activities	Totals
Liabilities			
Current Liabilities			
Internal balances	\$ 956,929	\$ (956,929)	\$ -
Accounts payable	1,703,424	130,585	1,834,009
Accrued salaries and benefits	5,320,301	3,122	5,323,423
Payroll deductions and withholdings	411,085	-	411,085
Unearned revenue	11,748	51,017	62,765
Current portion of long-term liabilities	3,972,912	-	3,972,912
Accrued interest payable	83,012	-	83,012
Other current liabilities	10,346	-	10,346
Total current liabilities	<u>12,469,757</u>	<u>(772,205)</u>	<u>11,697,552</u>
Noncurrent Liabilities			
Net pension liability	86,572,000	1,767,000	88,339,000
General obligation bonds	12,513,220	-	12,513,220
Other lease obligations	300,635	-	300,635
Accrued compensated absences	1,441,823	39,246	1,481,069
Subscription liabilities	262,245	-	262,245
Other post-employment benefits (OPEB) payable	10,866,771	221,608	11,088,379
Total noncurrent liabilities	<u>111,956,694</u>	<u>2,027,854</u>	<u>113,984,548</u>
Total liabilities	<u>124,426,451</u>	<u>1,255,649</u>	<u>125,682,100</u>
Deferred Inflows of Resources			
Deferred amounts on pension liability	5,061,000	103,000	5,164,000
Deferred amounts on OPEB liabilities	5,646,693	115,239	5,761,932
Total deferred inflows of resources	<u>10,707,693</u>	<u>218,239</u>	<u>10,925,932</u>
Net Position (Deficit)			
Net investment in capital assets	52,489,446	269,676	52,759,122
Restricted	52,161,984	-	52,161,984
Unrestricted deficit	(81,126,496)	294,466	(80,832,030)
Total net position	<u>23,524,934</u>	<u>564,142</u>	<u>24,089,076</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 158,659,078</u>	<u>\$ 2,038,030</u>	<u>\$ 160,697,108</u>

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

Function/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	
Governmental Activities:						
Instruction	\$ 39,372,422	\$ 57,905	\$ 13,853,517	\$ (25,461,000)	\$ -	\$ (25,461,000)
Instructional student support	6,518,163	-	831,669	(5,686,494)	-	(5,686,494)
Administrative and financial support services	6,729,430	-	707,017	(6,022,413)	-	(6,022,413)
Operation and maintenance of plant services	6,992,697	84,457	590,640	(6,317,600)	-	(6,317,600)
Pupil transportation	3,073,212	-	748,609	(2,324,603)	-	(2,324,603)
Student activities	2,397,854	664,302	200,619	(1,532,933)	-	(1,532,933)
Community services	11,814	-	1,074	(10,740)	-	(10,740)
Debt service	603,362	-	178,833	(424,529)	-	(424,529)
Total governmental activities	65,698,954	806,664	17,111,978	(47,780,312)	-	(47,780,312)
Business-type Activities:						
Food service	1,886,224	937,753	1,204,167	-	255,696	255,696
Granada project	132,116	214,491	-	-	82,375	82,375
Total business-type activities	2,018,340	1,152,244	1,204,167	-	338,071	338,071
Total primary government	\$ 67,717,294	\$ 1,958,908	\$ 18,316,145	\$ (47,780,312)	\$ 338,071	\$ (47,442,241)
General Revenues and Transfers:						
Property taxes, levied for general purposes				\$ 40,979,432	\$ -	\$ 40,979,432
Act 511 taxes, levied for general purposes				11,214,797	-	11,214,797
State property tax relief allocation				838,505	-	838,505
Investment earnings				5,542,713	19,989	5,562,702
Miscellaneous income				351,964	-	351,964
Transfers				483	(483)	-
Total general revenues and transfers				58,927,894	19,506	58,947,400
Changes in net position				11,147,582	357,577	11,505,159
Net position (deficit) - July 1, 2022				9,993,273	206,565	10,199,838
Prior period adjustment (see Note 1)				2,384,079	-	2,384,079
Net position (deficit) - July 1, 2022 (restated)				12,377,352	206,565	12,583,917
Net position - June 30, 2023				\$ 23,524,934	\$ 564,142	\$ 24,089,076

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2023

	General Fund	Capital Projects Fund	Permanent Fund	Student Sponsored Activity Fund	Totals Governmental Funds
Assets					
Cash and cash equivalents	\$ 16,531,131	\$ 5,544,567	\$ -	\$ 177,544	\$ 22,253,242
Taxes receivable - net of allowance	2,581,845	-	-	-	2,581,845
Due from other funds	1,259,917	2,808,350	-	-	4,068,267
Due from other governments	5,225,143	-	-	-	5,225,143
Other receivables	546,705	-	-	-	546,705
Inventories	148,541	-	-	-	148,541
Prepaid expense	125,546	-	-	-	125,546
Beneficial interest in perpetual trust	-	-	48,134,693	-	48,134,693
Total assets	\$ 26,418,828	\$ 8,352,917	\$ 48,134,693	\$ 177,544	\$ 83,083,982
Liabilities					
Due to other funds	\$ 3,685,196	\$ 1,340,000	\$ -	\$ -	\$ 5,025,196
Accounts payable	1,700,353	2,591	-	480	1,703,424
Accrued salaries and benefits	5,320,301	-	-	-	5,320,301
Payroll deductions and withholdings	411,085	-	-	-	411,085
Unearned revenue	11,748	-	-	-	11,748
Other Current Liabilities	10,346	-	-	-	10,346
Total liabilities	11,139,029	1,342,591	-	480	12,482,100
Deferred Inflows of Resources					
Delinquent property taxes	237,846	-	-	-	237,846
Fund Balances					
Nonspendable	-	-	48,134,693	-	48,134,693
Restricted	274,087	7,010,326	-	177,064	7,461,477
Committed	9,500,000	-	-	-	9,500,000
Unassigned	5,267,866	-	-	-	5,267,866
Total fund balances	15,041,953	7,010,326	48,134,693	177,064	70,364,036
Total liabilities, deferred inflows of resources and fund balances	\$ 26,418,828	\$ 8,352,917	\$ 48,134,693	\$ 177,544	\$ 83,083,982

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION June 30, 2023

Total fund balances - governmental funds	\$ 70,364,036
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital and right-to-use assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the capital assets is \$164,398,070, and the accumulated depreciation/amortization is \$98,653,837.	65,744,233
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Property taxes receivable will be collected, but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred inflows of resources in the funds.	237,846
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Deferred inflows and outflows of resources related to pensions are applicable to future periods and, therefore, are not reported within the funds. Deferred inflows and outflows related to the pension are as follows (see footnotes for detail):

Deferred outflows of resources	12,666,000
Deferred inflows of resources	(5,061,000)

Deferred inflows and outflows of resources related to OPEB are applicable to future periods and, therefore, are not reported within the funds. Deferred inflows and outflows related to OPEB are as follows (see footnotes for detail):

Deferred outflows of resources	1,161,884
Deferred inflows of resources	(5,646,693)

Long-term liabilities, including bonds payable, lease obligations and payables, net pension liability, compensated absences and other post-employment benefits, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Bonds payable, net of related discounts and premiums	(15,849,220)	
Deferred amount on refunding of debt	71,246	
Accrued interest payable	(83,012)	
Lease and lease purchase obligations	(707,254)	
Subscription liabilities	(492,538)	
Net pension liability	(86,572,000)	
OPEB liabilities	(10,866,771)	
Accumulated compensated absences	(1,441,823)	(115,941,372)

Total net position - governmental activities	\$ 23,524,934
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2023

	General Fund	Capital Projects Fund	Permanent Fund	Debt Service Funds	Student Sponsored Activity Fund	Totals Governmental Funds
Revenues						
Local sources	\$ 53,961,349	\$ 80,631	\$ 4,935,767	\$ -	\$ 444,299	\$ 59,422,046
State sources	14,265,528	-	-	-	-	14,265,528
Federal sources	3,206,343	-	-	-	-	3,206,343
Total revenues	71,433,220	80,631	4,935,767	-	444,299	76,893,917
Expenditures						
Instructional	38,817,312	-	-	-	-	38,817,312
Support services	23,063,699	664,226	-	-	-	23,727,925
Operation of noninstructional services	1,910,091	-	-	-	459,698	2,369,789
Refund of prior year receipts	5,076	-	-	-	-	5,076
Capital Outlay	-	160,047	-	-	-	160,047
Debt service	981,632	-	-	3,710,382	-	4,692,014
Total expenditures	64,777,810	824,273	-	3,710,382	459,698	69,772,163
Excess (deficiency) of revenues over expenditures	6,655,410	(743,642)	4,935,767	(3,710,382)	(15,399)	7,121,754
Other Financing (Uses) Sources						
Interfund transfers in	2,440,352	1,059,818	-	3,710,382	-	7,210,552
Interfund transfers out	(4,920,200)	-	(2,289,869)	-	-	(7,210,069)
Total other financing (uses) sources	(2,479,848)	1,059,818	(2,289,869)	3,710,382	-	483
Net changes in fund balances	4,175,562	316,176	2,645,898	-	(15,399)	7,122,237
Fund balance - July 1, 2022	10,866,391	6,694,150	45,488,795	-	192,463	63,241,799
Fund balance - June 30, 2023	\$ 15,041,953	\$ 7,010,326	\$ 48,134,693	\$ -	\$ 177,064	\$ 70,364,036

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2023

Net changes in fund balances - governmental funds	\$	7,122,237
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. This is the amount by which depreciation/amortization and dispositions exceed capital outlays in the current period:

Capital outlays	878,674	
Less net book value of disposed assets	(78,464)	
Less depreciation/amortization expense	(5,151,099)	(4,350,889)

Some taxes will not be collected for several months after the District's fiscal year end, they are not considered as "available" revenues in the governmental funds. Deferred inflows of resources decreased by this amount during the year.

(47,865)

Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. The change in interest accrued in the Statement of Activities over the amount due is shown here.

18,722

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in net pension liability, net of deferred resources	4,411,000
Change in OPEB liabilities, net of deferred resources	63,202
Change in compensated absences	(138,755)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Repayment of leases payable	78,322	
Repayment of subscription liabilities	240,235	
Repayment of long-term debt	3,236,000	
Amortization of charges for bond refunding	(69,056)	
Amortization of bond premiums and discounts - net	203,952	
Repayment of extended term financing	380,477	4,069,930

Change in net position of governmental activities	\$	11,147,582
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND
Year Ended June 30, 2023**

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Local sources	\$ 52,287,237	\$ 52,287,237	\$ 53,961,349	\$ 1,674,112
State sources	13,484,600	13,484,600	14,265,528	780,928
Federal sources	3,206,965	3,206,965	3,206,343	(622)
Total revenues	68,978,802	68,978,802	71,433,220	2,454,418
Expenditures				
Instruction				
Regular programs	30,348,486	30,307,947	28,008,930	2,299,017
Special programs	9,098,071	9,235,337	8,954,187	281,150
Vocational education programs	1,656,882	1,662,502	1,553,567	108,935
Other instructional programs	151,971	151,971	164,684	(12,713)
Community/junior college education programs	-	-	135,944	(135,944)
Total instruction	41,255,410	41,357,757	38,817,312	2,540,445
Support services				
Pupil personnel	2,337,638	2,358,266	2,193,467	164,799
Instructional staff	3,165,077	3,165,077	3,036,698	128,379
Administration	3,994,400	3,944,700	4,157,310	(212,610)
Pupil health	1,118,706	1,131,947	1,215,084	(83,137)
Business	876,566	850,566	845,547	5,019
Operation and maintenance of plant services	5,896,164	5,896,740	6,930,716	(1,033,976)
Student transportation services	3,373,752	3,372,564	3,087,799	284,765
Central	1,682,618	1,701,206	1,544,809	156,397
Other support services	51,804	51,804	52,269	(465)
Total support services	22,496,725	22,472,870	23,063,699	(590,829)
Operation of noninstructional services				
Student activities	2,168,353	2,089,861	1,898,176	191,685
Community services	19,154	19,154	11,915	7,239
Total operation of noninstructional services	2,187,507	2,109,015	1,910,091	198,924
Refund of prior years' receipts	-	-	5,076	(5,076)
Debt service	290,000	290,000	981,632	(691,632)
Total expenditures	66,229,642	66,229,642	64,777,810	1,451,832
Excess of revenues over expenditures	2,749,160	2,749,160	6,655,410	3,906,250
Other Financing (Uses) Sources				
Sale of or compensation for loss of fixed assets	35,000	35,000	-	(35,000)
Interfund transfers in	2,289,869	2,289,869	2,440,352	150,483
Interfund transfers out	(5,146,199)	(5,146,199)	(4,920,200)	225,999
Total other financing (uses) sources	(2,821,330)	(2,821,330)	(2,479,848)	341,482
Net change in fund balances	\$ (72,170)	\$ (72,170)	\$ 4,175,562	\$ 4,247,732

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

June 30, 2023

	Food Service Fund	Granada Project Fund	Totals
Assets			
Current Assets			
Cash and cash equivalents	\$ 1,454	\$ 1,384,279	\$ 1,385,733
Due from other funds	2,134,383	82,463	2,216,846
Due from other governments	4,909	-	4,909
Other receivables	2,764	-	2,764
Inventories	93,199	-	93,199
Total current assets	2,236,709	1,466,742	3,703,451
Noncurrent Assets			
Food service equipment, net	269,676	-	269,676
Total noncurrent assets	269,676	-	269,676
Total assets	\$ 2,506,385	\$ 1,466,742	\$ 3,973,127
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 258,000	\$ -	\$ 258,000
Deferred amounts on OPEB liabilities	23,749	-	23,749
Total deferred outflows of resources	\$ 281,749	\$ -	\$ 281,749
Liabilities			
Current Liabilities			
Due to other funds	\$ 1,259,917	\$ -	\$ 1,259,917
Accounts payable	7,752	122,833	130,585
Accrued salaries and benefits	3,122	-	3,122
Unearned revenues	51,017	-	51,017
Total current liabilities	1,321,808	122,833	1,444,641
Noncurrent Liabilities			
Net pension liability	1,767,000	-	1,767,000
Accrued compensated absences	39,246	-	39,246
OPEB liabilities	221,608	-	221,608
Total noncurrent liabilities	2,027,854	-	2,027,854
Total liabilities	\$ 3,349,662	\$ 122,833	\$ 3,472,495
Deferred Inflows of Resources			
Deferred amounts on pension liability	\$ 103,000	\$ -	\$ 103,000
Deferred amounts on OPEB liabilities	115,239	-	115,239
Total deferred inflows of resources	\$ 218,239	\$ -	\$ 218,239
Net Position (Deficit)			
Net investment in capital assets	\$ 269,676	\$ -	\$ 269,676
Unrestricted (deficit) position	(1,049,443)	1,343,909	294,466
Total net (deficit) position	\$ (779,767)	\$ 1,343,909	\$ 564,142

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS Year Ended June 30, 2023

	Food Service Fund	Granada Project Fund	Total
Operating Revenues			
Food service revenue	\$ 937,753	\$ -	\$ 937,753
Rental income	-	82,375	82,375
CAM income	-	132,116	132,116
Total operating revenues	937,753	214,491	1,152,244
Operating Expenses			
Salaries	718,786	-	718,786
Employee benefits	309,890	-	309,890
Food and supplies consumed	732,175	-	732,175
Other expenses	51,561	-	51,561
CAM expenses	-	132,116	132,116
Depreciation and amortization	73,812	-	73,812
Total operating expenses	1,886,224	132,116	2,018,340
Operating (loss) income	(948,471)	82,375	(866,096)
Nonoperating Revenues			
State subsidies for food service	155,219	-	155,219
State subsidy for social security payments	26,810	-	26,810
State subsidy for retirement payments	107,531	-	107,531
Federal subsidies	811,850	-	811,850
Value of U.S.D.A. commodities	102,757	-	102,757
Investment earnings	-	19,989	19,989
Total nonoperating revenues	1,204,167	19,989	1,224,156
Income before transfers	255,696	102,364	358,060
Interfund transfers in	150,000	-	150,000
Interfund transfers out	-	(150,483)	(150,483)
Total contributions and transfers	150,000	(150,483)	(483)
Changes in net position	405,696	(48,119)	357,577
Net Position (Deficit) - July 1, 2022	(1,185,463)	1,392,028	206,565
Net Position (Deficit) - June 30, 2023	<u>\$ (779,767)</u>	<u>\$ 1,343,909</u>	<u>\$ 564,142</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
Year Ended June 30, 2023

	Food Service Fund	Granada Project Fund	Total
Cash Flows From Operating Activities			
Cash received from users	\$ 871,462	\$ 179,010	\$ 1,050,472
Cash payments to employees for services	(1,117,031)	-	(1,117,031)
Cash payments for goods and services	(1,270,475)	(44,128)	(1,314,603)
Net cash used in provided by operating activities	(1,516,044)	134,882	(1,381,162)
Cash Flows From Noncapital Financing Activities			
State subsidies	295,855	-	295,855
Federal subsidies	1,064,871	-	1,064,871
Transfers	150,000	(150,483)	(483)
Net cash provided by (used in) noncapital financing activities	1,510,726	(150,483)	1,360,243
Cash Flows From Investing Activities			
Investment earnings	-	19,989	19,989
Net increase in cash and cash equivalents	(5,318)	4,388	(930)
Cash and Cash Equivalents:			
July 1, 2022	6,772	1,379,891	1,386,663
June 30, 2023	<u>\$ 1,454</u>	<u>\$ 1,384,279</u>	<u>\$ 1,385,733</u>
Reconciliation of Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:			
Operating (loss) income	\$ (948,471)	\$ 82,375	\$ (866,096)
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:			
Depreciation	73,812	-	73,812
Value of donated commodities	102,757	-	102,757
(Increase) decrease in:			
Other accounts receivable	(2,529)	-	(2,529)
Inventories	(8,827)	-	(8,827)
Deferred outflows of resources	34,205	-	34,205
(Decrease) increase in:			
Internal balances	(564,626)	22,790	(541,836)
Accounts payable	(16,043)	65,198	49,155
Accrued salaries and benefits	(6,568)	-	(6,568)
Unearned revenues	(63,762)	(35,481)	(99,243)
Accrued compensated absences	9,291	-	9,291
Net pension liability	78,000	-	78,000
OPEB liabilities	(43,420)	-	(43,420)
Deferred inflows of resources	(159,863)	-	(159,863)
Net cash (used in) provided by operating activities	\$ (1,516,044)	\$ 134,882	\$ (1,381,162)
Supplemental Disclosure			
Noncash noncapital financing activity			
USDA donated commodities	<u>\$ 102,757</u>	<u>\$ -</u>	<u>\$ 102,757</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2023

	Private-Purpose Trust Fund
Assets	
Cash and cash equivalents	\$ 128,024
Investments	1,177,820
Other receivables	4,999
Total assets	<u>\$ 1,310,843</u>
Liabilities	
Due to other funds	\$ -
Total liabilities	<u>\$ -</u>
Net Position	
Restricted	\$ 1,310,843
Total net position	<u>\$ 1,310,843</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2023

	Private-Purpose Trust Fund
Additions	
Interest earned	\$ 5,418
Contributions	5,000
Unrealized gain on investments	116,285
Total additions	<u>126,703</u>
Deductions	
Scholarships awarded	<u>169,137</u>
Change in net position	(42,434)
Net Position:	
July 1, 2022	1,353,277
June 30, 2023	<u>\$ 1,310,843</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Derry Township School District (the District), operates a public school system that encompasses one municipality in Dauphin County. The District operates one elementary school, one middle school and one high school. The District operates under current standards prescribed by the Pennsylvania Department of Education in accordance with the provisions of the School Laws of Pennsylvania. The governing body of the District is comprised of a board of nine school directors who are each elected for a four-year term. The daily operation and management of the District is carried out by the administrative staff of the District, headed by the Superintendent of Schools who is appointed by the Board of School Directors. Funding for the District is received from local, Commonwealth and Federal sources and must comply with the requirements of the various funding source agencies.

The District assesses the taxpayers of these municipalities based upon taxing powers at its disposal. The ability of the District's taxpayers to pay their assessments is dependent upon economic and other factors affecting the taxpayers.

The financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative, standard setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

In evaluating the District as a reporting entity, management has addressed all potential component units which may or may not fall within the District's financial accountability. The criteria used by the District to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the District reviews the applicability of the following criteria:

The District is financially accountable for:

Organizations that make up the legal District entity.

Legally separate organizations if District officials appoint a voting majority of the organizations' governing body and the District is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Impose its will: If the District can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

Financial benefit or burden: Exists if the District (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

Organizations that are fiscally dependent on the District.

Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the District.

Based on the foregoing criteria, the District has no component entities that need to be included in the District's financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Joint Ventures: The District is a participant in several joint ventures, each of which is a separate legal entity that offers services to the District and its residents. These entities serve multiple school districts and municipalities and, therefore, are not included in this reporting entity as a component unit. These entities do not have taxing authority, but are required to adopt an annual budget, which is funded primarily by its members and others that use its services.

Dauphin County Area Vocational Technical School: The District is one of seven-member school districts of the Dauphin County Technical School (DCTS). The Vo-Tech School provides vocational-technical education to the constituents of all participating school districts. Member school districts are responsible for funding the major portion of the Vo-Tech School's operating budget. For the year ended June 30, 2023, Derry Township School District paid \$595,317 for its estimated share of the operating budget. As of June 30, 2023, the Vo-Tech School's General Fund had total assets of \$3,874,951 and total liabilities of \$3,139,251. As of June 30, 2023, the Vo-Tech School had property and equipment net of accumulated depreciation of \$22,821,024, and long-term liabilities of \$42,824,397. The Vo-Tech School's outstanding balance on their Series of 2015 bond as of June 30, 2023, is \$12,240,000.

The Board authorized the incurring of lease rental debt in connection with the Dauphin County Technical School, by entering into an agreement of lease and guaranty with Dauphin County Technical School, dated March 15, 2007. The Technical School constructed improvements and renovations and acquired equipment for the Technical School and has financed it by issuing \$24,750,000 in School Lease Revenue Bonds, Series of 2007, dated March 15, 2007. These bonds were refinanced by the issuance of Series of 2015, dated March 15, 2015, in the amount of \$19,005,000. This debt is supported by the full faith, credit and taxing power of the seven-member school districts who participate in the Technical School. Derry Township School District's original share of this debt was \$3,170,034, which was based on the market valuation of all taxable real property in each school district.

The following is a schedule of principal and interest requirements to service the Lease Obligations - Dauphin County Technical School Bond requirements of the District:

Years	Vo-Tech Lease Obligation		
	Principal	Interest	Total
2024	\$ 208,787	\$ 79,291	\$ 288,078
2025	218,010	70,381	288,391
2026	227,234	60,974	288,208
2027	237,296	51,043	288,339
2028	247,358	40,623	287,981
2029-2031	1,044,993	54,049	1,099,042
	<u>\$ 2,183,678</u>	<u>\$ 356,361</u>	<u>\$ 2,540,039</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Capital Area Intermediate Unit: This Intermediate Unit provides support and services to students with special needs that cannot be provided by district staff.

Harrisburg Area Community College: Provides higher education services. All Dauphin County Schools provide support to reduce tuition for district residents who attend full time.

The most recent audited financial statements of these joint ventures are available for inspection at the District's business office.

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities and Fund Financial Statements, which provide a more detailed level of financial information.

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the District at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities, and for the business-type activities of the District. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds for the year ended June 30, 2023:

The General Fund is the operating fund of the District and is used to account for all financial resources, except those required to be accounted for in another fund.

The Capital Projects Funds are made up of the Capital Reserve Fund as well as the Capital Projects Fund. The Capital Reserve Fund was established by the Board in April 2008, to fund various future school projects. The annual funding level shall be adjusted based on a board approved "capital maintenance/growth plan" and shall not exceed three years of projected expenditures. Expenditures are limited to capital improvements, replacement of and additions to public works and improvements, for deferred maintenance thereof, and for the purchase or the replacement of school buses, and for no other purpose. The Capital Projects Fund was established by the Board in 2019 and is used to account for and report financial resources that are restricted to expenditures for the acquisition, construction, or improvement of major capital facilities.

The Permanent Fund is a beneficial interest in a perpetual trust. The fund is legally restricted to the extent that only earnings, and not principal, are used for purposes that support the District's programs.

The Debt Service fund accounts for accumulation of resources for, and the payment of long-term debt principal, interest and related costs.

The Student Sponsored Activity Fund is set up in accordance with Section 511 of the PA School Code for student sponsored school organizations and publications which do not meet the criteria to be reported as custodial funds per GASB Statement No. 84 *Fiduciary Activities*.

Proprietary Funds focus on the determination of the changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no internal service funds.

Enterprise Funds are used to account for any activity for which a fee is charged to external users for goods or services. The District reports the following enterprise funds:

The Food Service Fund accounts for the financial transactions related to food service operations.

The Granada Project Fund accounts for financial transactions related to facility rental operations.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting (Continued)

Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the District's own programs. The District's only trust funds are private purpose trust funds which account for scholarship programs for students.

D. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets, plus deferred outflows of resources, less total liabilities, less deferred inflows of resources) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the Statement of Net Position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenue from Federal, state and other grants designated for payment of specific School District expenditures are recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Budgets and Budgetary Accounting

An operating budget is adopted prior to the beginning of each year for the General Fund on a modified accrual basis of accounting. The General Fund is the only fund for which a budget is legally required.

The Pennsylvania School Code dictates specific procedures relative to adoption of the District's budget and reporting of its financial statements, specifically:

The District, before levying annual school taxes, is required to prepare an operating budget for the succeeding fiscal year.

The District is required to publish notice by advertisement, at least once in two newspapers of general circulation in the municipality in which it is located, and within 15 days of final action, that the proposed budget has been prepared and is available for public inspection at the administrative office of the District.

Notice that public hearings will be held on the proposed operating budget must be included in the advertisement; such hearings are required to be scheduled at least 10 days prior to when final action on adoption is taken by the Board.

Legal budgetary control is maintained at the sub-function/major object level. The Board may make transfers of funds appropriated to any particular item of expenditure by legislative action in accordance with the Pennsylvania School Code. Management may amend the budget at the sub-function/sub-object level without Board approval. Appropriations lapse at the end of the fiscal period. Budgetary information reflected in the financial statements is presented at or below the level of budgetary control and includes the effect of approved budget amendments. The Board made no supplemental budgetary appropriations throughout the year.

In order to preserve a portion of an appropriation for which an expenditure has been committed by a purchase order, contract or other form of commitment, an encumbrance is recorded. Encumbrances outstanding at year end are reported in the fund financial statements as a committed fund balance.

Included in the General Fund budget are program budgets as prescribed by the Federal and state agencies funding the program. These budgets are approved on a program by program basis by the Federal and state funding agencies.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Cash and Cash Equivalents and Investments: Cash includes all demand deposits, petty cash, savings, money market accounts and Certificates of Deposit owned by the District. Investments include repurchase agreements, investment trusts which mature at a future date, mutual funds and United States Treasury Notes. Investments are stated at fair value. Accrued interest is reflected as “other receivables” on the balance sheet.

The District is authorized by Sec. 440.1 of the Public School Code of 1949, as amended, to invest in United States Treasury Bills, short-term obligations of the United States Government or its agencies and instrumentalities, or in deposits, in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) or the National Credit Union Share Insurance Fund (NCUSIF), to the extent that such accounts are so insured, and for any amounts above the insured maximums, provided that approved collateral as required by provisions of Act No. 72 of the Commonwealth of Pennsylvania are pledged by the depository.

For purposes of these financial statements, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Interfund Balances: On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payable.” These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Inventory: On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are based upon the latest invoice price, which approximates cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. Inventories of the governmental funds and enterprise fund are expensed when used.

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items (consumption method) in both the government-wide and fund financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Capital Assets: General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land, land improvements and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	20-50 years	N/A
Furniture and equipment	5-15 years	5-12 years
Vehicles	8-10 years	N/A

Deferred Outflows of Resources - Pensions and Other Post-Employment Benefits: The District recognizes deferred outflows of resources, which represent a consumption of net assets that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The District has identified these items in subsequent notes to the financial statements.

Deferred Outflows of Resources - Deferred Amounts on Refunding Debt: The District recognizes the difference between the re-acquisition price and the net carrying amount of the old debt as a deferred outflow which is a component of interest expense over the remaining life of the old or new debt, whichever is shorter.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Long-Term Obligations: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activity columns in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases: The District is a lessee for non-cancellable leases of equipment. A lease liability and an intangible right-to-use lease asset is recognized in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Compensated Absences: Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments. The compensated absence liability is reported on the government-wide financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Pensions: Substantially all full-time and qualifying part-time employees of the District participate in a cost sharing, multiple employer defined benefit pension plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits: In the government-wide financial statements, the District recognizes the costs and liabilities associated with post-employment benefits other than pension compensation. The District participates in two plans, the first is a single employer plan administered by the District. The Plan provides retiree health, vision, dental care and prescription drug benefits for eligible, retired employees and their qualified spouses/beneficiaries. The District estimates the cost of providing these benefits through an actuarial valuation.

The District also participates in a governmental cost sharing, multiple employer other post-employment benefit plan (OPEB) with PSERS for all eligible retirees who qualify and elect to participate. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Other Post-Employment Benefits (Continued):

The balance of the District's OPEB liabilities and related deferred outflows/inflows of resources at June 30, 2023, are as follows:

	Governmental Activities	Business-Type Activities	Total
OPEB Liabilities			
District's Single Employer Plan	\$ 7,281,771	\$ 148,608	\$ 7,430,379
PSERS Cost Sharing Plan	3,585,000	73,000	3,658,000
Total	<u>\$ 10,866,771</u>	<u>\$ 221,608</u>	<u>\$ 11,088,379</u>
Deferred Outflows of Resources			
District's Single Employer Plan	\$ 443,384	\$ 9,049	\$ 452,433
PSERS Cost Sharing Plan	718,500	14,700	733,200
Total	<u>\$ 1,161,884</u>	<u>\$ 23,749</u>	<u>\$ 1,185,633</u>
Deferred Inflows of Resources			
District's Single Employer Plan	\$ 4,627,493	\$ 94,439	\$ 4,721,932
PSERS Costs Sharing Plan	1,019,200	20,800	1,040,000
Total	<u>\$ 5,646,693</u>	<u>\$ 115,239</u>	<u>\$ 5,761,932</u>

Additional disclosures related to other post-employment benefits of the School's Single Employer Plan and PSERS Cost Sharing Plan can be found in subsequent notes to the financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Deferred Inflows of Resources - Unearned Revenues: The District recognizes property tax revenues when they become available. Available includes those property taxes expected to be collected within 60 days after year end. Those property taxes expected to be collected beyond 60 days after year end are shown as deferred revenue in the fund financial statements. Governmental funds also defer revenues in connection with resources that have been received, but not yet earned.

Deferred Inflows of Resources - Pensions and Other Post-Employment Benefits: The District recognizes deferred inflows of resources, which represent an acquisition of net assets that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The District has identified these items in subsequent notes to the financial statements.

Government-wide Net Position: Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The District's net position is composed of the following:

Net Investment in Capital Assets: Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of these assets.

Restricted: Represents amounts with external constraints placed on the use of these resources or imposed through constitutional provisions or enabling legislation. Restricted net position for the governmental activities is composed of the following:

	Amount
Capital improvements	\$ 3,850,227
Student sponsored activities	177,064
Beneficial interest in perpetual trust (nonexpendable)	48,134,693
Total restricted net position	<u>\$ 52,161,984</u>

There were no restrictions placed on net position for the business-type activities.

Unrestricted: The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not reported in net investment in capital assets or as restricted net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Fund Balances: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Represents amounts that cannot be spent either because they are in nonspendable form (such as inventory or prepaids) or because they are legally or contractually required to be maintained intact (such as notes receivable or principal of a permanent fund).

Restricted: Represents amounts with external constraints placed on the use of these resources (such as grantors, bondholders and higher level of government) or imposed through constitutional provisions or enabling legislation.

Committed: Represents amounts that can only be used for specific purposes imposed by a formal action of the District's highest level of decision making authority, the Board. Committed resources cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same formal action that imposed the constraint originally.

Assigned: Represents amounts the District intends to use for specific purposes as expressed by the Board or an official delegated the authority. The Board has delegated the authority to assign fund balances to the Business Manager. The District does not have any amounts that are assigned.

Unassigned: Represents amounts that are available for any purpose, reported only in the General Fund.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expensed is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and unassigned fund balance.

The District's policy is to maintain eight percent (8%) of annual budgeted operating expenditures for the next fiscal year as its maximum general fund unassigned fund balance.

The following schedule provides information about the specific fund balance classification by fund:

	General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Permanent Fund	Total
Nonspendable					
Inventory	\$ 148,541	\$ -	\$ -	\$ -	\$ 148,541
Prepaid expenses	125,546	-	-	-	125,546
Beneficial interest in perpetual trust	-	-	-	48,134,693	48,134,693
Restricted					
Capital improvements	-	7,010,326	-	-	7,010,326
Student sponsored activities	-	-	177,064	-	177,064
Committed					
Health benefits	2,000,000	-	-	-	2,000,000
Retirement stabilization	500,000	-	-	-	500,000
Capital planning	7,000,000	-	-	-	7,000,000
Unassigned	5,267,866	-	-	-	5,267,866
Total	\$ 15,041,953	\$ 7,010,326	\$ 177,064	\$ 48,134,693	\$ 70,364,036

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. New Accounting Pronouncements

The following list reflects only those pronouncements initially effective in the current or upcoming reporting periods which based on our review, may be applicable to the District's reporting requirements.

Following are descriptions of significant pronouncements that were considered or initially selected during the year ended June 30, 2023:

GASB Statement No. 91, *Conduit Debt Obligations*, provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice. Accordingly, a restatement of net position was necessary to implement this statement.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnerships. The adoption of this pronouncement was determined not to have a material impact on the District's beginning balances and current year results.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The adoption of this pronouncement resulted in the measurement of SBITA liabilities using the remaining lease term and discount rate at July 1, 2022, and the right-to-use assets were measured based on the lease liability. Accordingly, a restatement of net position was not necessary to implement this statement.

GASB Statement No. 99, *Omnibus 2022 will be effective in fiscal years between June 30, 2022 and 2024*, depending on the topics addressed and their relation to other standards. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The adoption of this pronouncement was determined not to have a material impact on the District's beginning balances and current year results.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. New Accounting Pronouncements (Continued)

The following are descriptions of accounting pronouncements which will be considered for implementation during subsequent fiscal years, with modified effective dates as established by GASB Statement No. 95:

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, will be effective for fiscal years beginning after June 15, 2023. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

GASB Statement No. 101, *Compensated Absences*, will be effective for fiscal years beginning after December 15, 2023. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. It requires that liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

H. Other

Encumbrances: Encumbrances at year end are reported in the fund financial statements as restricted or committed fund balances since they do not constitute expenditures or liabilities but serve as authorization for expenditures in the subsequent year.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparation of these financial statements include depreciation, compensated absences, pension related items and other post-employment benefits. Accordingly, actual results could differ from those estimates.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

H. Other (Continued)

Restatement of Net Position and Fund Balance Beginning Balances: As of July 1, 2022, the District restated the Governmental Activities net position. This restatement was necessary due to implementation of GASB 91 Conduit Debt and the derecognition of the District's debt obligation to Dauphin County Technical School. The restatement had the following effect on net position:

	Governmental Activities
Net position as previously reported on June 30, 2022	\$ 9,993,273
Prior period adjustment for derecognition of conduit debt	2,384,079
Net position as restated on July 1, 2022	<u>\$ 12,377,352</u>

Subsequent Events: In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through June 10, 2024, the date that the financial statements were available to be issued.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments

Under Section 440.1 of the Public School Code of 1949, as amended, the District is permitted to invest funds consistent with sound business practices in the following types of investments:

- U.S. Treasury Bills
- Short-term obligations of the U.S. Government or its agencies or its instrumentalities
- Deposits in savings accounts or time deposits or share accounts of institutions insured by:
 1. The Federal Deposit Insurance Corporation (FDIC), or
 2. The Federal Savings and Loan Insurance Corporation (FSLIC), or
 3. The National Credit Union Share Insurance Fund (NCUSIF) to the extent that such accounts are so insured, and for any amounts above maximum insurable limits, provided that approved collateral as provided by law shall be pledged by the depository
- Obligations of (a) the United States of America or its agencies or instrumentalities backed by the full-faith and credit of the United States of America, and (b) the Commonwealth of Pennsylvania, or instrumentalities thereof, backed by the full-faith and credit of these political subdivisions
- Shares of investment companies whose investments are restricted to the above categories

The deposit and investment policy of the District adheres to state statutes and prudent business practices. There were no deposit or investment transactions during the year that were in violation of either state statutes or the policy of the District.

Deposits: Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank default, the District's investments may not be returned to it. A summary of the District's deposits at June 30, 2023, are shown below:

	Carrying Amount	Bank Balance	Financial Institution
Insured (FDIC)	\$ 250,000	\$ 250,000	First National Bank
Insured (FDIC)	9,364	9,364	WSFS Institutional Services
Uninsured, collateralized in accordance with Act 72	19,334,321	19,597,372	First National Bank
	<u>\$ 19,593,685</u>	<u>\$ 19,856,736</u>	

Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledgers of the assets.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments

It is the District's investment policy to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments. The primary objectives of investment activities, in priority order, shall be:

1. Legality - All investments shall be made in accordance with applicable laws of Pennsylvania.
2. Safety - Safety of principal shall be of highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.
3. Liquidity - Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.
4. Yield - Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

The PSDMAX fund is a 2a7-like pool. The amortized cost, which approximates fair value of the pool, is determined by the pool's share price. The District has an investment in a qualified investment pool with the Pennsylvania School District Liquid Asset Fund (PSDLAF). Except for direct deposits from the Commonwealth, investments in the PSDLAF/Max account are subject to a 14-day minimum holding period, and to penalty for early withdrawal. This requirement has been waived by the trust since inception. The District has no regulatory oversight for the pool, which is governed by the Board of Trustees and is administered by PMA Financial Network, Inc. The pool is audited annually by PricewaterhouseCoopers, LLP, an independently elected public official. At June 30, 2023, the District had investments with the PSDLAF of \$4,163,042.

As of June 30, 2023, the James L. Fillmore Scholarship Trust Fund (contained within the fiduciary fund - private purpose trust fund), to be used to provide scholarships for students to attend the University of Cincinnati, had the following investments:

Investments	Fair Value
Money market fund	\$ 245,667
Mutual funds	755,037
Common stock	80,930
Exchange traded funds	96,186
Total investments	<u>\$ 1,177,820</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments (Continued)

Common Stocks, Mutual Funds and Exchange Traded Funds: The fair value of common stocks and mutual funds are based on closing market prices for the identical security as reported in active markets. These investments are reported at fair value as Level 1 investments under GASB Statement No. 72.

Money Market Funds: Fixed income securities do not always trade on a daily basis so the fair values of each security are dependent upon various pricing models that incorporate benchmark yields, interest rates, credit risk, broker-dealer quotes and other valuation processes. These investments are reported at fair value as a Level 2 investment under GASB Statement No. 72.

Note 3. Beneficial Interest in a Perpetual Trust

The District is named the beneficiary in a perpetual trust, which originated from a bequest by Milton S. Hershey in 1946, and is administered by Fulton Bank, NA. The perpetual trust is to pay income to the District quarterly, and the District is to use the funds for such purpose as determined by the Board. The funds in the trust are restricted and are not available to the District, except for distributions made from the trust to the District per the trust agreement and state law governing perpetual trusts. Assets of the perpetual trust are restricted in the Statement of Net Position and designated as nonspendable in the governmental funds balance sheet. The assets are recorded at fair value. Income less trustee fees and changes in fair value of the perpetual trust are recorded as investment earnings. The following is a summary of the transactions for the year ended June 30, 2023:

	Amount
Balance at July 1, 2022	\$ 45,488,795
Net investment gain	5,096,946
Trustee fees	(161,180)
Transfers to general fund	(2,289,868)
Balance at June 30, 2023	<u>\$ 48,134,693</u>

The assets of the perpetual trust are categorized as Level 3. Financial assets valued using level 3 inputs are based on significant unobservable inputs and have the lowest priority. According to FASB ASC 820-10-35-58, if an organization will never be able to redeem its investment at the net asset value per share (as in a perpetual trust), the measurement should be categorized as a Level 3 fair value measurement.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 4. Property Taxes

Based upon assessed valuations provided by the County, the District bills and collects its own property taxes. The schedule for property taxes levied for 2022-2023, is as follows:

July 1, 2022	Tax levy date
Through August 31, 2022	2% discount
September 1 - October 31, 2022	Face payment period
November 1 - December 31, 2022	10% penalty period
January 1, 2023	Lien filing date

The District's tax rate for all purposes in 2022-2023 was 19.4348 mills (\$19.4348 per \$1,000 assessed valuation). Refunds on payments of prior year taxes are classified as Other Debt Service items under the Commonwealth of Pennsylvania's accounting system. Current tax collections for the District were approximately 99% of the total tax levy.

Note 5. Taxes Receivable, Deferred Inflows of Resources and Estimated Uncollectible Taxes

A summary of the taxes receivable and related accounts at June 30, 2023, are as follows:

	Amount
Uncollected Taxes	\$ 5,264,114
Estimated uncollectible taxes	(2,682,269)
Taxes Receivable - Net	<u>\$ 2,581,845</u>
Taxes to be collected within 60 days	\$ 2,343,999
Deferred inflows of resources - delinquent property taxes	237,846
Taxes Receivable - Net	<u>\$ 2,581,845</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 6. Interfund Receivables and Payables and Transfers

Individual fund receivable and payable balances at June 30, 2023, are as follows:

Fund	Interfund Receivables	Interfund Payables
Governmental Funds		
General	\$ 1,259,917	\$ 3,685,196
Capital projects	2,808,350	1,340,000
Proprietary Funds		
Food service	2,134,383	1,259,917
Granada project	82,463	-
	<u>\$ 6,285,113</u>	<u>\$ 6,285,113</u>

In order to take advantage of higher interest rates, the District holds all of the cash for each fund in one account. They make monthly transfers to cover the expenses of each fund. The balances in the interfund receivables are the amount of cash belonging to that fund in the general fund account.

All interfund receivable/payable balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All balances are expected to be repaid within the following year.

Individual fund transfers during the fiscal year ended June 30, 2023, are as follows:

Fund	Transfers In	Transfers Out
Governmental Funds		
General	\$ 2,440,352	\$ 4,920,200
Capital projects	1,059,818	-
Permanent	-	2,289,869
Debt service	3,710,382	-
Proprietary Fund		
Food service	150,000	-
Granada	-	150,483
	<u>\$ 7,360,552</u>	<u>\$ 7,360,552</u>

Transfers and payments within the District are substantially for purposes of funding capital projects and asset acquisitions or maintaining debt service on a routine basis. Transfers are made from the general fund to the food service fund for operation of the school's cafeteria program. Transfers are made from the general fund to the capital projects fund to provide funding for future projects. Transfers are made from the permanent fund to the general fund for investment earnings of the fund. Resources are accumulated in a fund to support and simplify the administration of various projects or programs.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets

Capital asset activity for the year ended June 30, 2023, was as follows:

	July 1, 2022 (restated)	Increases	Decreases	June 30, 2023
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 1,047,274	\$ -	\$ -	\$ 1,047,274
Construction-in-progress	601,268	61,219	601,268	61,219
Total capital assets not being depreciated	1,648,542	61,219	601,268	1,108,493
Capital assets being depreciated				
Site improvements	10,730,724	-	-	10,730,724
Buildings and building improvements	119,406,048	151,556	-	119,557,604
Furniture and equipment	31,453,948	1,267,166	531,100	32,190,014
Right-to-use leased equipment	156,926	-	78,464	78,462
Right-to-use subscription assets	732,773	-	-	732,773
Total capital assets being depreciated	162,480,419	1,418,722	609,564	163,289,577
Less accumulated depreciation				
Site improvements	7,740,052	467,610	-	8,207,662
Buildings and building improvements	58,083,173	3,156,132	-	61,239,305
Furniture and equipment	28,210,613	1,527,357	531,100	29,206,870
Total Accumulated Depreciation	94,033,838	5,151,099	531,100	98,653,837
Total capital assets being depreciated, net	68,446,581	(3,732,377)	78,464	64,635,740
Total Governmental Activities, Capital Assets - Net	\$ 70,095,123	\$ (3,671,158)	\$ 679,732	\$ 65,744,233
Business-Type Activities				
Capital assets being depreciated				
Equipment	\$ 2,350,525	\$ -	\$ -	\$ 2,350,525
Less accumulated depreciation				
Equipment	2,007,037	73,812	-	2,080,849
Business-Type Activities, Capital Assets - Net	\$ 343,488	\$ (73,812)	\$ -	\$ 269,676

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Capital Assets (Continued)

Depreciation on equipment was charged to functions/programs of the primary government as follows:

	Amounts
Governmental Activities:	
Instruction	\$ 3,224,419
Instructional student support	565,276
Administrative and financial support services	571,921
Operation and maintenance of plant services	388,959
Pupil transportation	237,371
Student activities	162,285
Other community services	868
Total governmental activities	<u>5,151,099</u>
Business-Type Activities	
Food service	73,812
Total School District	<u><u>\$ 5,224,911</u></u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Obligations

A summary of the reporting entity's long-term obligations as of June 30, 2023, and transactions during the year then ended follows:

	July 1, 2022 (restated)	Increases	Decreases	June 30, 2023	Due within one year
Governmental activities:					
Bonds and notes payable					
Series A of 2015	\$ 2,425,000	\$ -	\$ 1,155,000	\$ 1,270,000	\$ 1,270,000
Series of 2016	885,000	-	440,000	445,000	445,000
Series A of 2019	1,985,000	-	60,000	1,925,000	10,000
Series B of 2019	1,555,000	-	-	1,555,000	-
Series C of 2019	6,315,000	-	1,415,000	4,900,000	1,520,000
Series of 2021	4,640,000	-	165,000	4,475,000	90,000
Series A of 2021	1,014,000	-	1,000	1,013,000	1,000
Net premium on bonds	470,172	-	203,952	266,220	-
Total bonds and notes payable	19,289,172	-	3,439,952	15,849,220	3,336,000
Other lease obligations	1,007,828	-	380,477	627,351	326,716
Leases payable	158,225	-	78,322	79,903	79,903
Subscription liabilities	732,773	-	240,235	492,538	230,293
Compensated absences	1,303,068	138,755	-	1,441,823	-
Total governmental activities long-term obligations	\$ 22,491,066	\$ 138,755	\$ 4,138,986	\$ 18,490,835	\$ 3,972,912
Business-type activities:					
Compensated absences	\$ 29,955	\$ 9,291	\$ -	\$ 39,246	\$ -
Total business-type activities long-term obligations	\$ 29,955	\$ 9,291	\$ -	\$ 39,246	\$ -

General Obligation Bonds - Series A of 2015 - On November 23, 2015, the District authorized the issuance of General Obligation Bonds, Series A of 2015, in the aggregate principal amount of \$6,120,000. The proceeds of the bonds were used to provide funds to: (1) advance refund a portion of the outstanding General Obligation Bonds, Series of 2008 of the District and (2) pay the costs of issuing the bonds. A portion of the proceeds was irrevocably deposited in an escrow fund maintained by Manufacturers and Traders Trust Company. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series 2008 bonds. As a result, a portion of the Series 2008 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds was \$5,875,000 at June 30, 2018, and this amount was paid in full during the year ending June 30, 2019. The advanced refunding reduced total debt service payments by \$712,639 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$674,897. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 1.00%. The bonds mature serially in amounts ranging from \$170,000 to \$2,230,000 through 2024. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to partially refund these bonds.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Obligations (Continued)

General Obligation Bonds - Series of 2016 - On February 22, 2016, the District authorized the issuance of General Obligation Bonds, Series of 2016, in the aggregate principal amount of \$7,200,000. The proceeds of the bonds were used to provide funds for: (1) the current refunding of the general obligation bonds, series of 2011 of the District and (2) pay the costs of issuing the bonds. The refunding reduced total debt service payments by \$269,880 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$267,605. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 0.37%. The bonds mature serially in amounts ranging from \$255,000 to \$1,360,000 through 2023.

General Obligation Notes - Series A of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series A of 2019, in the aggregate principal amount of \$3,310,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2012, of the District; (2) the current refunding of a portion of the outstanding General Obligation Bonds, Series A of 2012, of the District; (3) various capital projects of the District and (4) pay the costs of issuing the notes. The economic loss on the refunding of the 2012, and 2012A bonds was \$165,934. The Notes bear interest rates that shall not exceed 4.00%; the initial rate is 1.78%. The notes mature serially in amounts ranging from \$10,000 to \$1,685,000 through 2026. On January 25, 2021, the District issued General Obligation Bond - Series A of 2021 to partially refund these bonds.

General Obligation Notes - Series B of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series B of 2019, in the aggregate principal amount of \$1,555,000. The proceeds of the notes were used to provide funds to: (1) various capital projects of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 3.5%. The notes are not subject to redemption prior to maturity and are scheduled to mature in May 2026.

General Obligation Notes - Series C of 2019 - On December 20, 2019, the District authorized the issuance of General Obligation Notes, Series C of 2019, in the aggregate principal amount of \$9,030,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2014, of the District and (2) pay the costs of issuing the bonds. The economic gain on the refunding of the 2014 bonds was \$421,150. The bonds bear interest rates that shall not exceed 4.00%, the initial rate is 1.20%. The bonds mature serially in amounts ranging from \$45,000 to \$3,380,000 through 2024.

General Obligation Notes - Series of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Notes, Series of 2021, in the aggregate principal amount of \$4,815,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series A of 2012, and Series of 2015, and a portion of the General Obligation Bonds, Series A of 2015, of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 1.38%. The Notes mature serially in amounts ranging from \$30,000 to \$2,625,000 through 2028.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Obligations (Continued)

General Obligation Bonds - Series A of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Bonds, Series A of 2021, in the aggregate principal amount of \$1,015,000. The proceeds of the Bonds were used to advance refund the District's outstanding General Obligation Notes, Series A of 2019 and to pay for the cost of issuance. A portion of the proceeds was irrevocably deposited in a trust with an escrow agent. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series A of 2019 bonds. As a result, a portion of the Series A of 2019 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds is \$910,000 as of June 30, 2021. The economic loss on the refunding of the bonds was \$39,914. The Notes bear an interest rate of 1.25%. The bonds mature serially in amounts ranging from \$1,000 to \$1,010,000 through 2027.

The following is a schedule of principal and interest requirements to service the general long-term debt of the District:

Years	General Obligation Debt		
	Principal	Interest	Total
2024	\$ 3,336,000	\$ 379,093	\$ 3,715,093
2025	3,451,000	262,438	3,713,438
2026	3,516,000	193,412	3,709,412
2027	3,635,000	71,551	3,706,551
2028	1,645,000	22,701	1,667,701
	<u>\$ 15,583,000</u>	<u>\$ 929,195</u>	<u>\$ 16,512,195</u>

Leases Payable

The District leases equipment for certain District offices and buildings. The remaining lease term is for two years. The District's equipment leases contain scheduled monthly payments with expiration dates extending through 2024. Leases payables are fully funded by the general fund.

The following is a schedule of future minimum lease payments for leases with initial or remaining terms in excess of one year as of June 30, 2023:

Year ending June 30:	Principal	Interest	Total Payments
2024	\$ 79,903	\$ 868	\$ 80,771
	<u>\$ 79,903</u>	<u>\$ 868</u>	<u>\$ 80,771</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Obligations (Continued)

Subscription Based Information Technology Arrangements (SBITA) Liabilities

The District enters into various arrangements for administrative and educational software and other information technology. Many of the software and information technology arrangements are for a term of one year or less. However, the District also enters into arrangements that are for greater than one year which require accounting for and reporting of a right-to-use subscription asset and liability. These terms range from two to four years in length.

The District's subscription based information technology arrangements contain scheduled annual payments with expiration dates extending through 2026. Payments of the subscription liability are primarily funded by the general fund.

The following is a schedule of future minimum subscription liability payments for agreements with initial or remaining terms in excess of one year as of June 30, 2023:

Year ending June 30:	Principal	Interest	Total
2024	\$ 230,293	\$ 9,942	\$ 240,235
2025	196,146	5,293	201,439
2026	66,099	1,334	67,433
	<u>\$ 492,538</u>	<u>\$ 16,569</u>	<u>\$ 509,107</u>

Compensated Absences

Under the terms of the District's employment policies, employees are reimbursed for accrued vacation upon retirement or other termination of employment. The reimbursement rate is established by the employment contract and varies by employee classification. In addition, employees are granted sick days per school year, and any unused sick days are permitted to be carried over to future years. Upon retirement from the District, employees are reimbursed for accumulated sick days equal to the number of unused days multiplied by an amount established by the employment contract. The employees are also offered options regarding retirement payouts as prescribed in the contract if certain conditions are met. The total liability for accrued vacation, sick leave and retirement bonuses has been reflected in the Statement of Net Position.

Other Lease Obligations

The District leases computers which are located throughout the District. The related lease agreements qualify as capital leases, and accordingly, these transactions are recorded at the present values of related future, minimum lease payments as of the inception date. All lease-purchase obligations are funded by the General Fund.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Long-Term Obligations (Continued)

Other Lease Obligations (Continued)

The assets acquired through capital leases are as follows:

	Amount
Assets	
Computers	\$ 2,269,199
Less accumulated depreciation	(1,641,847)
Total computers - net book value	<u>\$ 627,351</u>

The following is a schedule of the future, minimum lease payments due under the lease-purchase obligations as of June 30, 2023:

Years	Amount
2023-2024	\$ 326,716
2024-2025	150,316
2025-2026	150,316
Total present value of minimum lease payments	<u>\$ 627,351</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan

Plan Description

PSERS (Pennsylvania Public School Employee's Retirement System or the System) is a governmental cost sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

PSERS provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes: Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service.

Act 5 of 2017 (Act 5) introduced a hybrid benefit with two membership classes and a separate defined contribution plan for individuals who become new members on or after July 1, 2019. Act 5 created two new hybrid membership classes, Membership Class T-G (Class T-G) and Membership Class T-H (Class T-H) and the separate defined contribution membership class, Membership Class DC (Class DC). To qualify for normal retirement, Class T-G and Class T-H members must work until age 67 with a minimum of 3 years of credited service. Class T-G may also qualify for normal retirement by attaining a total combination of age and service that is equal to or greater than 97 with a minimum of 35 years of credited service.

Benefits are generally between 1% and 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members, whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan (Continued)

Benefits Provided (Continued)

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

The contribution rates based on qualified member compensation for virtually all members are presented below:

Member Contribution Rates				
Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T-C	Prior to July 22, 1983	5.25%	N/A	5.25%
				6.25%
T-C	On or after July 22, 1983	6.25%	N/A	6.25%
T-D	Prior to July 22, 1983	6.50%	N/A	6.50%
T-D	On or after July 22, 1983	7.50%	N/A	7.50%
T-E	On or after July 1, 2011	7.50% base rate with shared risk provision	N/A	Prior to 7/1/21: 7.50% After 7/1/21: 8.00%
T-F	On or after July 1, 2011	10.30% base rate with shared risk provision	N/A	Prior to 7/1/21: 10.30% After 7/1/21: 10.8%
T-G	On or after July 1, 2019	5.50% base rate with shared risk provision	2.75%	Prior to 7/1/21: 8.25% After 7/1/21: 9.00%
T-H	On or after July 1, 2019	4.50% base rate with shared risk provision	3.00%	Prior to 7/1/21: 7.50% After 7/1/21: 8.25%
DC	On or after July 1, 2019	N/A	7.50%	7.50%

Shared Risk Program Summary				
Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T-E	7.50%	+/-0.50%	5.50%	9.50%
T-F	10.30%	+/-0.50%	8.30%	12.30%
T-G	5.50%	+/-0.75%	2.50%	8.50%
T-H	4.50%	+/-0.75%	1.50%	7.50%

Employer Contributions:

The District's contractually required contribution rate for the fiscal year ended June 30, 2023, was 34.51% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Included in the District's contractually required contribution rate is the Act 5 contribution rate totaling an estimated 0.20%.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan (Continued)

Contributions (Continued)

Employer Contributions (Continued):

The District is required to pay the entire contribution and will be reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one-half of the total District's rate. The District's contributions to the Plan, relating to pension benefits, for the year ended June 30, 2023, was \$10,004,516, and is equal to the required contribution for the year. For the year ended June 30, 2023, the District recognized gross retirement subsidy revenue from the Commonwealth in the amount of \$5,413,289.

Pension Liabilities, Pension Expense, Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2023, the District reported a liability of \$88,339,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2021 to June 30, 2022. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2023, the District's reported proportion was 0.1987%, which was an decrease of 0.0070% from its proportion reported as of June 30, 2022.

For the year ended June 30, 2023, the District recognized pension expense of \$5,504,000. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 40,000	\$ 764,000
Changes in assumptions	2,638,000	-
Net difference between projected and actual investment earnings	-	1,498,000
Changes in proportion	-	2,902,000
Difference between employer contributions and proportionate share of total contributions	242,000	-
Contributions subsequent to the measurement date	10,004,000	-
	<u>\$ 12,924,000</u>	<u>\$ 5,164,000</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan (Continued)

Pension Liabilities, Pension Expense, Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$10,004,000 is reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	Total
2024	\$ (697,000)
2025	(646,000)
2026	(3,052,000)
2027	2,142,000
2028	9,000
	<u>\$ (2,244,000)</u>

Actuarial Assumptions

The total pension liability as of June 30, 2022, was determined by rolling forward the System's total pension liability as of June 30, 2021 to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation Date - June 30, 2021.
- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 7.00%, includes inflation at 2.75%.
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- The discount rate used to measure the Total Pension Liability was 7.00% as of June 30, 2021 to 7.00% as of June 30, 2022.

The actuarial assumptions used in the June 30, 2022, valuation were based on the results of an actuarial experience study that was performed for the five-year period ended June 30, 2020.

Investments

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan (Continued)

Investments (Continued)

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

For the year ended June 30, 2022, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 2.40%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	28.0%	5.3%
Private equity	12.0%	8.0%
Fixed income	33.0%	2.3%
Commodities	9.0%	2.3%
Infrastructure/MLPs	9.0%	5.4%
Real estate	11.0%	4.6%
Absolute return	6.0%	3.5%
Cash	3.0%	0.5%
Leverage	-11.0%	0.5%
	<u>100.0%</u>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2022.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Defined-Benefit Pension Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1- percentage-point higher (8.00%) than the current discount rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	\$ 114,261,000	\$ 88,339,000	\$ 66,484,000

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

Plan Payables

At June 30, 2023, the District reported a payable to PSERS of \$3,576,673, which represents the employer contributions owed to the pension plan.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Other Post-Employment Benefits - District's Single Employer Plan

Plan Description, Benefit Terms and Funding Policy

The District provides retiree health, vision and dental care benefits, including prescription drug coverage, to eligible, retired employees and qualified spouses/beneficiaries. This is a single-employer, defined-benefit plan administered by the District. The District funds OPEB on a pay-as-you go basis, and there is no obligation to make contributions in advance of when insurance premiums or claims are due for payment. The District does not maintain or accumulate any assets within a trust in accordance with paragraph 4 of GASB Statement No. 75. The plan description and benefit terms provided by the Plan are summarized in the chart below:

GROUP	ELIGIBILITY	COVERAGE AND PREMIUM SHARING	DURATION
<u>I. SUPERINTENDENT</u>	Age 57 with 20 years of PSERS service and 15 years of service within DTSD 2020-2021 MOU: Age 53 with 20 years of PSERS service and 15 years of service within DTSD	Coverage: Medical, Prescription Drug, and Vision Premium Sharing: The premium sharing for Medical, Prescription Drug, and Vision coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate for the member and spouse. Dependents: Spouse included (if spouse has no other coverage)	Member -- Coverage is provided until member Medicare age. Spouse -- Coverage is provided until member Medicare age or member death whichever is earlier.
<u>II. ADMINISTRATORS & ACT 93</u>	Age 57 with 20 years of PSERS service and 5 years of service within DTSD	Coverage: Medical, Prescription Drug, and Vision Premium Sharing: The district will pay the full premium for Medical, Prescription Drug, and Vision coverage. Dependents: Spouse included (if spouse has no other coverage)	Same as I
<u>III. TEACHERS UNION</u>	Same as I	Coverage: Medical, Prescription Drug, and Vision Premium Sharing: The premium sharing for Medical and Prescription Drug coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate for the member and spouse. If the member has at least 30 years of service with DTSD then the premium sharing for vision coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate for the member and spouse. Dependents: Spouse included (if spouse has no other coverage)	Same as I
<u>IV. NON PROFESSIONAL UNION</u>	Act 110/43	Act 110/43	Member -- Coverage is provided until member Medicare age. Spouse -- Coverage is provided until member Medicare age, spouse Medicare age, or member death whichever is earlier.

Notes:

Act 110/43 Eligibility: All employees are eligible for this benefit upon retirement with 30 years of PSERS service or upon superannuation retirement.

Act 110/43 Coverage and Premium Sharing: Retired employees are allowed to continue coverage for themselves and their dependents in the employer's group health plan until the retired employee reached Medicare age. In order to obtain coverage, retired employees must provide payment equal to the premium determined for the purpose of COBRA.

PSERS Retirement:

- 1) Pension Class T-C or T-D: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 62 with 5 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 60 with 30 years of PSERS service, age 62 with 1 year of PSERS service of 35 years of PSERS service regardless of age. In general, these pension classes apply to individuals who were members of PSERS prior to July 1, 2011.
- 2) Pension Class T-E or T-F: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 65 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 65 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 92 with a minimum of 35 years of PSERS service. In general, these pension classes apply to individuals who became members of PSERS on or after July 1, 2011 and prior to July 1, 2019.
- 3) Pension Class T-G: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 97 with a minimum of 35 years of PSERS service. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.
- 4) Pension Class T-H: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.
- 5) All individuals except those in Pension Class T-G are eligible for a special early retirement upon reaching age 55 with 25 years of PSERS service. Individuals in Pension Class T-G are eligible for a special early retirement upon reaching age 57 with 25 years of PSERS service.

Coordination with Medicare: Plan benefits pay secondary to Medicare

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Employees Covered by Benefit Terms

As of the July 1, 2022, actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	408
	<u>425</u>

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2023, the District reported a liability of \$7,430,379 for the total OPEB liability. The total OPEB liability was measured as of July 1, 2022, and was determined by an actuarial valuation as of July 1, 2022. The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	<u>\$ 8,401,391</u>
Changes for the year	
Service cost	632,726
Interest	203,020
Changes of benefit terms	36,120
Differences between expected and actual experience	88,043
Changes in assumptions	(1,691,445)
Estimated benefit payments	<u>(239,476)</u>
Net changes	<u>(971,012)</u>
Total OPEB Liability, ending	<u><u>\$ 7,430,379</u></u>

For the year ended June 30, 2023, the District recognized OPEB expense of \$414,397. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 81,270	\$ 950,574
Changes in assumptions	2,886	3,771,358
Benefit payments subsequent to the measurement date	368,277	-
	<u>\$ 452,433</u>	<u>\$ 4,721,932</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Of the total amount reported as deferred outflows of resources related to OPEB, \$368,277 resulting from District benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year ending June 30:	Total
2024	\$ (457,469)
2025	(457,469)
2026	(457,469)
2027	(457,469)
2028	(457,469)
Thereafter	(2,350,431)
	<u>\$ (4,637,776)</u>

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.5%.
- Salary Increases - 2.5% cost of living adjustment, 1.5% real wage growth and for teachers and administrators a merit increase which varies by age from 2.75 to 0%.
- Discount Rate - 4.06%. Based on S&P Municipal Bond 20 Year High Grade Rate Index at July 1, 2022.
- Health Care Cost Trend Rate - 6.5% in 2023 and 5.5% in 2024-2025. Rates gradually decrease from 5.4% in 2026, to 3.9% in 2075, and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
- Retirees' Share of Benefit-Related Costs - Retiree contributions are assumed to increase at the same rate as the Health Care Cost Trend Rate.
- Mortality rates are separate and assumed preretirement and postretirement using the rates assumed in the PSERS defined benefit pension plan actuarial valuation. Incorporated into the table are rates projected generationally by the Buck Modified 2016 projection scale to reflect mortality improvement.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the district calculated using the discount rate of 4.06%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (3.06%) or one-percentage-higher (5.06%) than the current discount rate:

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% Increase 5.06%
Total OPEB liability	\$ 7,960,099	\$ 7,430,379	\$ 6,928,559

The discount rate used to measure the total OPEB liability increased from 2.28% as of July 1, 2021, to 4.06% as of July 1, 2022.

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the district calculated using the health care cost trend rates of (5.5% decreasing to 3.9%), as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 6,713,329	\$ 7,430,379	\$ 8,264,107

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan

Plan Description

PSERS administers a defined benefit pension plan, and two post-employment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP) for its retirees. The HOP is a PSERS sponsored voluntary health insurance program for the sole benefit of PSERS retirees, spouses of retirees, and survivor annuitants and their dependents who participate in HOP. The HOP is funded exclusively by the premiums paid by its participants for the benefit coverage they elect.

The System provides Premium Assistance which, is a governmental cost sharing, multiple-employer other post-employment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2022, there were no assumed future benefit increases to participating eligible retirees.

Retirees of the System can participate in Premium Assistance if they satisfy the following criteria:

- Have 24½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age

For Class DC members to become eligible for premium assistance, they must satisfy the following criteria:

- Attain Medicare eligibility with 24½ or more eligibility points, or
- Have 15 or more eligibility points and terminated after age 67, and
- Have received all or part of their distributions.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Employer Contributions

The Districts' contractually required contribution rate for the fiscal year ended June 30, 2023, was 0.75% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$217,427 for the year ended June 30, 2023.

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2023, the District reported a liability of \$3,658,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2021 to June 30, 2022. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2023, the District's reported proportion was 0.1987%, which was a decrease of 0.0068% from its proportion reported as of June 30, 2022.

For the year ended June 30, 2023, the District recognized OPEB expense of \$107,600. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 34,000	\$ 20,000
Changes in assumptions	406,000	864,000
Net difference between projected and actual investment earnings	10,000	-
Changes in proportion	56,000	156,000
Difference between employer contributions and proportionate share of total contributions	9,200	-
Contributions subsequent to the measurement date	218,000	-
	<u>\$ 733,200</u>	<u>\$ 1,040,000</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

\$218,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	Amount
2024	\$ (92,100)
2025	(69,600)
2026	(100,700)
2027	(123,600)
2028	(138,800)
	<u>\$ (524,800)</u>

Actuarial Assumptions

The Total OPEB Liability as of June 30, 2022, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2021 to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 4.09% - S&P 20 Year Municipal Bond Rate.
- Salary growth - Effective average of 4.5%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%
 - Eligible retirees will elect to participate Post age 65 at 70%
- The discount rate used to measure the total OPEB liability increased from 2.18% as of June 30, 2021 to 4.09%, as of June 30, 2022.

The actuarial assumptions used in the June 30, 2021, valuation were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2020.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Actuarial Assumptions (Continued)

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2020, determined the employer contribution rate for fiscal year 2022.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: The actual data for retirees benefiting under the Plan as of June 30, 2021, was used in lieu of the 63% utilization assumption for eligible retirees.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	100.0%	0.5%
	100.0%	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class of June 30, 2022.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Discount Rate

The discount rate used to measure the Total OPEB Liability was 4.09%. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 4.09% which represents the S&P 20-year Municipal Bond Rate at June 30, 2022, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability, calculated using the discount rate of 4.09%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.09%) or one percentage point higher (5.09%) than the current discount rate:

	1% Decrease 3.09%	Current Discount Rate 4.09%	1% Increase 5.09%
District's proportionate share of the net OPEB liability	\$ 4,136,000	\$ 3,658,000	\$ 3,257,000

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

Most of the system participants receive the full \$100 per month. However, for those who receive below that amount, the following presents the impact to the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 3,657,000	\$ 3,658,000	\$ 3,658,000

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Plan Payables

At June 30, 2023, the District reported a payable to PSERS of \$77,731 which represents the employer contributions owed to the OPEB plan.

Note 12. Act 93 Employee Annuity

The District provides all Act 93 employees with a tax-sheltered annuity. The District provides a \$0.50 contribution to each \$1.00 of employee contribution, up to a maximum District contribution of \$2,500. The District contributed \$45,935 to the Plan for the year ended June 30, 2023.

Note 13. Risk Management

The policy of the District is to not purchase health and vision insurance for the risks of losses to which it is exposed. Instead, the District's management policy is that it is more economical to manage its risks internally. The District pays all claims for risk of loss which the District is exposed to, including medical, dental, drug and vision claims, which are administered by third parties. The District has purchased stop loss insurance from commercial insurers that will reimburse the District for 100% of all medical claims over \$170,000 per year per participant with exceptions. The District will also receive a stop loss reimbursement of 100% for all aggregate medical claims which exceed \$9,103,315, adjusted upward based on participation, for the year.

Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include the amount for claims that have been incurred but not reported. Because of delays between the time a claim is incurred, and it is reported to the District for payment, the estimated liability does not necessarily result in an exact amount. A current net liability has been included in accrued salaries and benefits of the General Fund for claims reported but not paid by June 30, 2023, plus accrued teachers summer benefits, which both amount to \$384,720. The current year's asset is due to stop loss reimbursements in excess of incurred but not reported claim amounts at year end. Changes in the District's claims liability (asset) amount for the year ended June 30, 2023, were:

	Amount
Liability (asset) - beginning of year	\$ 389,595
Current year claims and changes in estimates	(7,009,119)
Less - claim payments	7,004,244
Liability (asset) - end of year	<u><u>\$ 384,720</u></u>

The District continues to carry commercial insurance for all other risks of loss, including workers compensation, liability and property and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 14. Contingent Liabilities

The District is subject to real estate tax assessment appeals on an ongoing basis. If tax appeals are successful, the result is a loss of tax revenue to the District. It is anticipated that any material loss of tax revenue on individual tax appeals will be offset with additional revenues from other properties or other sources of revenue and would not create a financial hardship to the District.

The District is involved in various lawsuits in the normal course of operations. Management cannot predict the outcome of the lawsuits or estimate the amount of any loss that may result. Accordingly, no provision for any contingent liabilities that may result have been made in the financial statements. Management believes that losses resulting from these matters, if any, would be covered under the District's professional liability insurance policy and would not have a material effect on the financial position of the District.

The District participates in numerous state and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2023, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

Note 15. Subsequent Events

In November 2023, the District issued the General Obligation Bonds, Series of 2023 in the amount of \$14,995,000 to finance various capital projects of the District.

REQUIRED SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2023	0.1987%	\$ 88,339,000	\$ 29,218,061	302.34%	61.34%
2022	0.2057%	\$ 84,454,000	\$ 29,135,309	289.87%	63.67%
2021	0.2075%	\$ 102,171,000	\$ 29,160,738	350.37%	54.32%
2020	0.2079%	\$ 97,261,000	\$ 28,675,998	339.17%	55.66%
2019	0.2057%	\$ 98,746,000	\$ 27,704,050	356.43%	54.00%
2018	0.2010%	\$ 99,271,000	\$ 26,765,017	370.90%	51.84%
2017	0.1986%	\$ 98,420,000	\$ 25,724,950	382.59%	50.14%
2016	0.1945%	\$ 84,248,000	\$ 25,960,380	324.53%	54.36%
2015	0.1941%	\$ 76,826,271	\$ 25,071,493	306.43%	57.24%

The amounts presented for each fiscal year were determined as of the measurement date, which is one year prior to the fiscal year end.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PENSION CONTRIBUTIONS -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	\$ 10,004,516	\$ (10,004,516)	\$ -	\$ 30,551,809	32.75%
2022	\$ 10,183,128	\$ (10,183,128)	\$ -	\$ 29,253,057	34.81%
2021	\$ 9,832,087	\$ (9,832,087)	\$ -	\$ 29,192,061	33.68%
2020	\$ 9,732,247	\$ (9,732,247)	\$ -	\$ 29,282,177	33.24%
2019	\$ 9,341,769	\$ (9,341,769)	\$ -	\$ 28,770,520	32.47%
2018	\$ 8,807,160	\$ (8,807,160)	\$ -	\$ 27,758,265	31.73%
2017	\$ 7,827,296	\$ (7,827,296)	\$ -	\$ 25,724,950	30.43%
2016	\$ 6,490,095	\$ (6,490,095)	\$ -	\$ 25,960,380	25.00%
2015	\$ 5,139,656	\$ (5,139,656)	\$ -	\$ 25,071,493	20.50%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS -
DISTRICT'S SINGLE EMPLOYER PLAN
For the Fiscal Year Ended June 30, 2023**

	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	\$ 632,726	\$ 639,225	\$ 723,366	\$ 725,598	\$ 733,487	\$ 740,774
Interest	203,020	159,953	351,487	296,918	319,081	246,678
Changes of benefit terms	36,120	-	-	-	-	-
Differences between expected and actual experience	88,043	-	(473,399)	-	(952,930)	-
Changes in assumptions	(1,691,445)	(248,645)	(2,156,167)	(295,392)	4,691	(238,941)
Benefit payments	(239,476)	(239,002)	(202,912)	(256,866)	(410,001)	(505,336)
Other Changes	-	-	-	-	-	-
Net change in total OPEB liability	(971,012)	311,531	(1,757,625)	470,258	(305,672)	243,175
Total OPEB Liability - beginning	8,401,391	8,089,860	9,847,485	9,377,227	9,682,899	9,439,724
Total OPEB Liability - ending	\$ 7,430,379	\$ 8,401,391	\$ 8,089,860	\$ 9,847,485	\$ 9,377,227	\$ 9,682,899
Covered payroll	\$ 27,049,351	\$ 26,015,946	\$ 26,015,946	\$ 24,914,381	\$ 24,914,381	\$ 24,053,671
Net OPEB liability as a percentage of covered payroll	27.47%	32.29%	31.10%	39.53%	37.64%	40.26%

Notes to Schedule:

For the fiscal year ended June 30, 2023:

Changes in assumptions: The discount rate changed from 2.28% to 4.06%.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2023	0.1987%	\$ 3,658,000	\$ 29,218,061	12.52%	6.86%
2022	0.2055%	\$ 4,871,000	\$ 29,135,309	16.72%	5.30%
2021	0.2078%	\$ 4,490,000	\$ 29,160,738	15.40%	5.69%
2020	0.2079%	\$ 4,422,000	\$ 28,675,998	15.42%	5.56%
2019	0.2057%	\$ 4,289,000	\$ 27,704,050	15.48%	5.56%
2018	0.2010%	\$ 4,095,000	\$ 26,765,017	15.30%	5.73%

The amounts presented for each fiscal year were determined as of the measurement date, which is one year prior to the fiscal year end.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S OPEB CONTRIBUTIONS -
PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM**

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2023	\$ 217,427	\$ (217,427)	\$ -	\$ 30,551,809	0.71%
2022	\$ 238,494	\$ (238,494)	\$ -	\$ 29,253,057	0.82%
2021	\$ 239,309	\$ (239,309)	\$ -	\$ 29,192,061	0.82%
2020	\$ 244,397	\$ (244,397)	\$ -	\$ 29,282,177	0.83%
2019	\$ 237,843	\$ (237,843)	\$ -	\$ 28,770,520	0.83%
2018	\$ 230,307	\$ (230,307)	\$ -	\$ 27,758,265	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT

COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS

June 30, 2023

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Assets			
Cash and cash equivalents	\$ 1,820,099	\$ 3,724,468	\$ 5,544,567
Due from other funds	1,340,000	1,468,350	2,808,350
Total assets	\$ 3,160,099	\$ 5,192,818	\$ 8,352,917
Liabilities			
Accounts payable	\$ -	\$ 2,591	\$ 2,591
Due to other funds	-	1,340,000	1,340,000
Total liabilities	-	1,342,591	1,342,591
Fund Balances			
Restricted	3,160,099	3,850,227	7,010,326
Total fund balances	3,160,099	3,850,227	7,010,326
Total liabilities and fund balances	\$ 3,160,099	\$ 5,192,818	\$ 8,352,917

DERRY TOWNSHIP SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS Year Ended June 30, 2023

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Revenues			
Local sources	\$ 25,688	\$ 54,943	\$ 80,631
Total revenues	<u>25,688</u>	<u>54,943</u>	<u>80,631</u>
Expenditures			
Support services	-	664,226	664,226
Capital Outlay	-	160,047	160,047
Total expenditures	<u>-</u>	<u>824,273</u>	<u>824,273</u>
Other Financing Sources			
Interfund transfers in	-	1,059,818	1,059,818
Total other financing sources	<u>-</u>	<u>1,059,818</u>	<u>1,059,818</u>
Net changes in fund balances	25,688	290,488	316,176
Fund Balances - July 1, 2022	3,134,411	3,559,739	6,694,150
Fund Balances - June 30, 2023	<u>\$ 3,160,099</u>	<u>\$ 3,850,227</u>	<u>\$ 7,010,326</u>

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Derry Township School District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated June 10, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2023-001 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Derry Township School District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response

Purpose of this Report

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

A handwritten signature in cursive script that reads "Boyer & Fitter". The signature is written in black ink and is positioned in the center of the page.

Camp Hill, Pennsylvania
June 10, 2024

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Derry Township School District's (District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2023. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

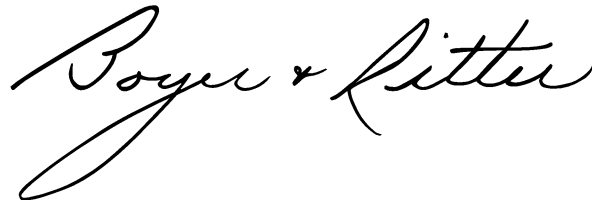
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script, reading "Boyer & Fitter". The signature is written in black ink and is centered on the page.

Camp Hill, Pennsylvania
June 10, 2024

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2023

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiency (ies) identified that is not
considered to be a material weakness (es)? X Yes _____ No

Noncompliance material to financial statements
noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiency (ies) identified that is not
considered to be a material weakness (es)? _____ Yes X None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are
required to be reported in accordance
with Section 2 CFR 200.516(a)3? _____ Yes X No

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2023

Section I -- Summary of Auditor's Results (Continued)

Identification of the major programs:

CFDA Number(s)	Name of Federal Programs/Cluster
84.425	Elementary & Secondary School Emergency Relief Fund (ARP ESSER)
84.425	Elementary & Secondary School Emergency Relief Fund (ARP) Learning Loss

Dollar threshold used to distinguish between type A and type B programs

\$750,000

Auditee qualified as low-risk auditee?

 X Yes No

Section II -- Financial Statement Findings

A. Significant Deficiency(ies) in Internal Control

Finding 2023-001: Untimely Fund Closing

Criteria: 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Condition: The District staff did not close and reconcile their financial records after year-end on a timely basis.

Questioned Costs: None

Context: Without a timely reconciliation and closing of financial records, the District does not have proper internal controls over financial reporting and increases the risk of incomplete information being presented to decision makers. The reconciliation process also serves as a control function to detect accounting errors, such as missed billings or underpaid revenues, and misappropriation of assets.

Cause: The District had accounting personnel turnover in the business department and the remaining employees did not have capacity or cross-training to meet the financial reporting requirements of the District.

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2023

Section II -- Financial Statement Findings Continued)

A. Significant Deficiency(ies) in Internal Control (Continued)

Effect: Extended delays in the closing of financial records impairs the ability of the District to meet its regulatory information filing obligations. It also results in delays in the provision of complete financial information to decision makers.

Repeat Finding: No

Recommendation: We recommend the District fully staff the business to implement detailed monthly closing schedules and reconciliation processes for all funds with oversight reviews.

Management Response: Management has responded to this finding in the Corrective Action Plan that is part of this reporting package.

B. Compliance Findings

There were no compliance findings relating to the financial statement audit required to be reported.

Section III -- Federal Award Findings and Questioned Costs

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

B. Compliance Findings

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2022	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2023	Provided to Subrecipients
U.S. Department of Education										
Passed through the Pennsylvania Department of Education										
Title I - Grants to Local Educational Agencies	84.010	013-22-0118	21-22	\$ 648,322	\$ 3,306	\$ 3,306	\$ -	\$ -	\$ -	\$ -
Title I - Grants to Local Educational Agencies	84.010	013-23-0118	22-23	\$ 614,939	369,182	-	614,939	614,939	245,757	-
					372,488	3,306	614,939	614,939	245,757	-
Title II - Supporting Effective Instruction State Grants	84.367	020-22-0118	21-22	\$ 124,803	36,133	36,133	-	-	-	-
Title II - Supporting Effective Instruction State Grants	84.367	020-23-0118	22-23	\$ 104,572	62,390	-	104,572	104,572	42,182	-
					98,523	36,133	104,572	104,572	42,182	-
Title IV - Student Support and Academic Enrichment Program	84.424	144-22-0118	21-22	\$ 44,172	26	26	-	-	-	-
Title IV - Student Support and Academic Enrichment Program	84.424	144-23-0118	21-23	\$ 50,871	29,076	-	50,871	50,871	21,795	-
					29,102	26	50,871	50,871	21,795	-
Elementary & Secondary School Emergency Relief Fund (CARES Act)	84.425D	200-21-0118	20-23	\$ 2,169,036	50,443	554,870	-	-	504,427	-
Elementary & Secondary School Emergency Relief Fund (ARP) - ESSER III	84.425U	223-21-0118	20-24	\$ 4,387,331	79,770	(319,079)	2,161,375	2,161,375	1,762,526	-
Elementary & Secondary School Emergency Relief Fund (ARP) Learning Loss	84.425U	225-21-0118	20-24	\$ 340,993	6,200	37,199	209,153	209,153	240,152	-
ARP ESSER Homeless Children and Youth	84.425W	181-21-2119	21-24	\$ 17,851	458	(915)	-	-	(1,373)	-
Total passed through the Pennsylvania Department of Education					636,984	311,540	3,140,910	3,140,910	2,815,466	-
Passed through the Capital Area Intermediate Unit										
Title III - English Language Acquisition State Grants	84.365	N/A	16-17	N/A	-	-	-	-	-	-
Title III - English Language Acquisition State Grants	84.365	N/A	17-18	N/A	-	-	-	-	-	-
					-	-	-	-	-	-
Special Education Cluster (IDEA)										
Special Education Grants to States	84.027	062-200015	21-22	\$ 382,714	-	-	-	-	-	-
Special Education Grants to States	84.027	062-200015	22-23	\$ 375,767	375,767	-	375,767	375,767	-	-
					375,767	-	375,767	375,767	-	-
ARP Supplemental IDEA Part B	84.027X		21-23	\$ 94,952	69,839	-	69,839	69,839	-	-
Special Education Preschool Grants	84.173	131-200015	21-22	\$ 2,330	-	-	-	-	-	-
Special Education Preschool Grants	84.173	131-200015	22-23	\$ 3,084	3,084	-	3,084	3,084	-	-
					3,084	-	3,084	3,084	-	-
Total Special Education Cluster passed through the Capital Area Intermediate Unit					448,690	-	448,690	448,690	-	-
Total U.S. Department of Education					1,085,674	311,540	3,589,600	3,589,600	2,815,466	-

(Continued)

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2023

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2022	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2023	Provided to Subrecipients
U.S. Department of Health and Human Services										
Passed through the Pennsylvania Department of Public Welfare										
Medicaid Cluster										
Medical Assistance Program: Title XIX	93.778	N/A	22-23	N/A	49,580	-	49,580	49,580	-	-
Total Medicaid Cluster					49,580	-	49,580	49,580	-	-
Total U.S. Department of Health and Human Services					49,580	-	49,580	49,580	-	-
U.S. Department of Agriculture										
Passed through the Pennsylvania Department of Education										
School Breakfast Program	10.553	N/A	21-22	N/A	44,941	44,941	-	-	-	-
School Breakfast Program	10.553	N/A	22-23	N/A	122,215	-	123,345	123,345	1,130	-
					167,156	44,941	123,345	123,345	1,130	-
National School Lunch Program	10.555	N/A	21-22	N/A	211,558	211,558	-	-	-	-
National School Lunch Program	10.555	N/A	22-23	N/A	525,510	-	527,858	527,858	2,348	-
					737,068	211,558	527,858	527,858	2,348	-
COVID-19 - Supply Chain Assistance	10.555	N/A	21-22	N/A	-	(64,235)	64,235	64,235	-	-
COVID-19 - Supply Chain Assistance	10.555	N/A	22-23	N/A	95,784	-	95,784	95,784	-	-
					95,784	(64,235)	160,019	160,019	-	-
P_EBT Local Admin Funds	10.649	N/A	22-23	N/A	628	-	628	628	-	-
Total passed through the Pennsylvania Department of Education					1,000,636	192,264	811,850	811,850	3,478	-
Passed through the Pennsylvania Department of Agriculture										
National School Lunch Program - Food Donations	10.555	N/A	22-23	N/A	102,757	(a) (34,328) (b)	102,757	122,406 (c)	(14,679) (d)	-
Total U.S. Department of Agriculture					1,103,393	157,936	914,607	934,256	(11,201)	-
Total Expenditures of Federal Awards					\$ 2,238,647	\$ 469,476	\$ 4,553,787	\$ 4,573,436	\$ 2,804,265	\$ -
Child Nutrition Cluster (Assistance Listing Numbers - 10.553 and 10.555)					\$ 1,102,765	\$ 157,936	\$ 913,979	\$ 933,628	\$ (11,201)	\$ -
Special Education Cluster (Assistance Listing Numbers - 84.027 and 84.173)					\$ 448,690	\$ -	\$ 448,690	\$ 448,690	\$ -	\$ -
Education Stabilization Fund (Assistance Listing Numbers - 84.425)					\$ 136,871	\$ 272,075	\$ 2,370,528	\$ 2,370,528	\$ 2,505,732	\$ -
See Notes to Schedule of Expenditures of Federal Awards.										

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal award activity of the District's under programs of the Federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the District's operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2. Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue is recognized when earned, and expenses are recognized when incurred. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The District has not elected to use the 10% de Minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Access Program

The ACCESS Program is a medical assistance program that reimburses local education agencies for direct, eligible health-related services provided to enrolled special needs students. ACCESS reimbursements are Federal monies but are classified as fee-for-service revenues and are not considered Federal financial assistance and are not included on the Schedule. The amount of ACCESS funding expended, but not included on the Schedule, for the year ended June 30, 2023, was \$49,580.

DERRY TOWNSHIP SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
Year Ended June 30, 2023

There were no prior year's audit findings.

DERRY TOWNSHIP SCHOOL DISTRICT, PENNSYLVANIA
Corrective Active Plan
Year Ended June 30, 2023

Finding	Department	Contact Person/Title	Finding Title/Corrective Action	Anticipated Completion Date
2023-001	Business Office	Sheryl Pursel, Business Manager	Untimely Fund Closing To address the untimely fund closing issue, the District will implement a series of corrective measures to strengthen internal controls, ensure timely financial reporting, and prevent recurrence of the issue. The action plan focuses on staffing, training, and oversight. The District will continue to recruit and hire staff to fill vacancies in the Business Office. Once fully staffed, cross-training will be implemented to ensure that all key financial processes are covered by multiple employees. The Monthly Closing schedule will be followed by all Business Office staff to ensure compliance with reporting requirements.	June 2024

To Management and the Board of School Directors
Derry Township School District
Hershey, Pennsylvania

This letter includes comments and suggestions with respect to matters that came to our attention in connection with our audit of the financial statements of the Derry Township School District (the District) as of and for the year ended June 30, 2023. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the District's practices and procedures.

Capitalization Policy

Group Purchasing: In its Implementation Guide No. 2021-1, Question 5.1, effective for the year ending June 30, 2024, (earlier adoption is encouraged), the Governmental Accounting Standards Board (GASB) noted that a government **should** capitalize assets whose individual acquisition costs are less than the threshold for an individual asset if those assets in the aggregate are **significant**. Computers, classroom furniture, and library books are examples of asset types that may not meet a capitalization policy on an individual basis yet could be significant collectively. The new wording removes the optional language included in previous guidance and indicates governments must now capitalize individual assets that would otherwise fall below the threshold when the total purchase would be significant to the whole. The government should revisit its capitalization policy to determine if the current policy contains the best use of capitalization thresholds for its operations and it should track similar items purchased within a particular timeframe. GASB guidance suggests that assets are substantively part of a single overall transaction when entered into at or near the same time and with a single objective.

Leases and Subscription Assets: Leasing and subscription-based agreements have become increasingly prevalent in business operations. GASB 87 - *Leases* and GASB 96 - *Subscription Based IT Arrangements* were both implemented by the District over the last two fiscal years. We recommend that the District update its capitalization board policy to consider a threshold for addressing these standards. The primary objective of the updated policy is to ensure that lease and subscription assets are properly accounted for in the financial statements, to maintain compliance with the new accounting standards, and to establish clear guidelines for capitalization and liability recording of these agreements. We suggest that the threshold established be based on materiality assessment and that periodic review of the assessment is done by the business office.

Compensated Absences

GASB Statement No. 101, *Compensated Absences*, replaces GASB Statement No. 16, *Accounting for Compensated Absences*, and is effective for the year ending June 30, 2025. The new guidance introduces three criteria for recording a liability in financial statements prepared under the full accrual basis of accounting: (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means (likelihood of more than 50 percent). GASB 101 identifies that certain compensated absences would not be recognized as a liability - examples include parental leave, military leave, jury duty, unlimited leave, and holiday leave. The new standard removes the current requirement to disclose both the gross additions and deductions to the liability and requires only the net change. The requirement to disclose which funds are typically used to liquidate compensated absence liabilities is removed. Governments should evaluate whether leave is more likely than not to be used or paid by assessing employment policies; historical information about use, payment or forfeiture of compensated absences; information about current and expected trends or patterns; and information about whether leave is or will become eligible for use or payment.

This letter is intended solely for the information and use of management, the Board of School Directors and others within the District, and is not intended to be, and should not be, used by anyone other than these specified parties. We appreciate serving the Derry Township School District and would be happy to assist you in addressing and implementing any of the suggestions in this letter.

A handwritten signature in cursive script that reads "Boyer & Fitter". The signature is written in black ink and is centered on the page.

Camp Hill, Pennsylvania
June 10, 2024

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

This letter is to inform the Board of School Directors of Derry Township School District (the District) about significant matters related to the conduct of our audit as of and for the year ended June 30, 2023, so that it can appropriately discharge its oversight responsibility and we comply with our professional responsibilities.

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process:

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibility under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States have been described to you in our arrangement letter dated June 13, 2023. The audit of the basic financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication regarding the planned scope and timing of our audit and identified significant risks.

Significant Accounting Practices, Including Policies, Estimates and Disclosures

The following identifies the qualitative aspects of significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures which you may wish to monitor as part of your oversight responsibilities of the financial reporting process:

Preferability of Accounting Policies and Practices

Under accounting principles generally accepted in the United States of America, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practices.

Significant Accounting Practices, Including Policies, Estimates and Disclosures (Continued)

Adoption of, or Change in, Accounting Policies

The Board of School Directors and management have the ultimate responsibility for the appropriateness of the accounting policies used by the District. The significant accounting policies used by the District are described in Note 1 to the financial statements.

The application of existing policies was not changed during the year. We did not discuss with management any alternative treatments within accounting principles generally accepted in the United States of America for accounting policies and practices related to material items during the current audit period.

Significant Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgments. The process used by management encompasses its knowledge and experience about past and current events and certain assumptions about future events. Management has informed us that it used all relevant facts available to it at the time to make the best judgments about accounting estimates, and we considered this information in the scope of our audit.

Estimates significant to the financial statements include:

- Net pension liability and related deferred outflows and inflows of resources
- Other post-employment benefits liabilities and related deferred outflows and inflows of resources
- Accrued health insurance costs
- Depreciation expense on capital assets
- Compensated absences

Management's estimate of these items is based on current and historical information available to management and, in some instances, involved actuarial calculations. We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District's financial statements relate to:

- Deposits and investments (Note 2)
- Capital assets (Note 7)
- Long-term obligations (Note 8)
- Defined-benefit pension plan (Note 9)
- Other post-employment benefits (Notes 10 and 11)
- Contingent liabilities (Note 14)

The financial statement disclosures are objective, consistent and clear.

Significant Accounting Practices, Including Policies, Estimates and Disclosures (Continued)

Required Supplementary Information and Supplementary Information

With respect to required supplementary information and supplementary information, accompanying the financial statements we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine the information complies with accounting principles generally accepted in the United States of America, 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 statements. We compared and reconciled the required supplementary information and supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Significant or Unusual Transactions

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Audit Adjustments

There were audit adjustments made to the original trial balances that were presented to us to begin our audit. Additionally, adjustments were made for the conversion to full accrual financial reporting. The following adjustments, in our judgment, either individually or in the aggregate, had significant effects on the District's monthly financial reporting process.

- To record receivable from the Derry Township Tax Association - \$875,374
- To record adjustment to state subsidies receivable for Social Security and Retirement subsidies (\$429,316)

Uncorrected Misstatements

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Other Information in Documents Containing Audited Financial Statements

We are not aware of any other documents that contain the audited financial statements. If such documents were to be published, we would have a responsibility to determine that such financial information was not materially inconsistent with the audited statements of the District.

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed with or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any difficulties in dealing with management during the audit.

Shared Responsibilities for Independence

Independence is a joint responsibility and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with American Institute of Certified Public Accountants (AICPA) and *Government Accountability Office* (GAO) independence rules. For Boyer & Ritter LLC (B&R) to fulfill its professional responsibility to maintain and monitor independence, management, those charged with governance, and B&R each play an important role.

Our Responsibilities

- AICPA and GAO Rules require independence both of mind and in appearance when providing audit and other attestation services. B&R is to ensure that the AICPA and GAO's General Requirements for performing non-attest services are adhered to and included in all letters of the engagement.
- Maintain a system of quality management over compliance with independence rules and firm policies.

The District's Responsibilities

- Timely inform B&R, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors, or officers.
 - Changes in the organizational structure or the reporting entity impacting affiliates such as partnerships, related entities, investments, joint ventures, component units, jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the District and its affiliates, officers, directors, or persons in a decision-making capacity, engaging in business relationships with B&R.
- Not entering into arrangements of nonaudit services resulting in B&R being involved in making management decisions on behalf of the District.
- Not entering into relationships resulting in close family members of B&R covered persons, temporarily or permanently acting as an officer, director, or person in an accounting, financial reporting, or compliance oversight role at the District.

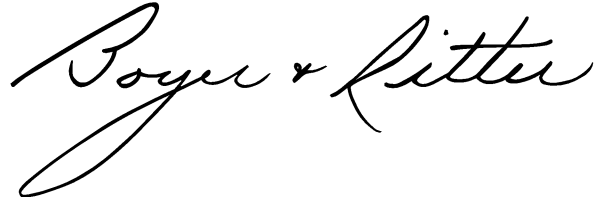
Significant Written Communication Between Management and Our Firm

We have requested certain representations from management that are included in the management representation letter dated June 10, 2024.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to Derry Township School District.

This report is intended solely for the information and use of the Board of School Directors and management of Derry Township School District and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script, reading "Boyer & Ritten". The signature is written in black ink and is centered on the page.

Camp Hill, Pennsylvania
June 10, 2024

**DERRY TOWNSHIP
SCHOOL DISTRICT**

FINANCIAL REPORT

JUNE 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Derry Township School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinions, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Derry Township School District, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As disclosed in Note 1 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (“GASB”) Statement No. 84 *Fiduciary Activities*, as of July 1, 2020. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis on pages 4 through 12, and the required supplementary information as listed in the Contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

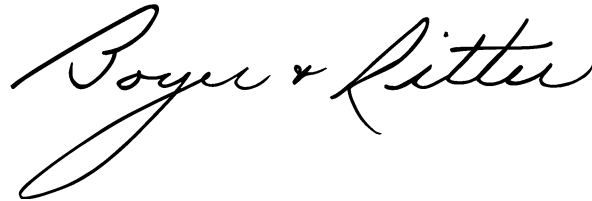
Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Derry Township School District’s basic financial statements. The Combining Balance Sheet - Capital Projects Funds, Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Funds and the accompanying Schedule of Expenditures of Federal Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, listed in the Contents as Supplementary Information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying Supplementary Information as listed in the Contents 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 statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information as listed in the Contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2021, on our consideration of Derry Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract 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 Derry Township School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering Derry Township School District's internal control over financial reporting and compliance.

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Camp Hill, Pennsylvania
December 14, 2021

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2021

The *Management Discussion and Analysis* (MD&A) provides an overall review and insight into the District's financial activities for the fiscal years ended June 30, 2021 and 2020. This MD&A summarizes the district's financial performance as a whole. Therefore, the reader should also review the entire financial statements, including the Notes to Financial Statements, as well as the independent auditor's transmittal letter, to enhance their understanding of the district's financial performance.

Background

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) Statement No. 34. Certain condensed comparative analyses of financial statements have been presented in these statements.

Pre-GASB No. 34 standards required use of the modified accrual system of accounting for revenues (no receivables/accruals beyond 60 days). In addition, pre-GASB No. 34 standards also did not record depreciation expense on capital assets and did not require reporting of net assets of various funds. GASB No. 34 now requires full accrual of revenue and calculating depreciation on capital assets.

Financial Highlights

In accordance with GASB Statement No. 54, the District has recorded as a Permanent Fund the fair market value of assets held in trust by Fulton Financial Advisors under a bequest made by Milton S. Hershey. As of 2021 and 2020, the value of this fund was \$54,012,098 and \$43,724,356, respectively. The fund balance is classified as "Nonspendable" due to the restrictive nature of the trust since the District has use of income only.

Also in accordance with GASB 54, the Board of School Directors adopted Policy 620, Fund Balance. This policy classifies the General Fund Balance based on the relative strength of constraints that control the purposes for which specific amounts can be spent. Effective June 30, 2012, fund balances are now reported in the following classifications:

Nonspendable	Amounts that cannot be spent because they are in a nonspendable form (such as inventory and notes receivable).
Restricted	Amounts limited by external parties (grants or donations).
Committed	Amounts limited by Board policy (future anticipated costs).
Assigned	Amounts intended for a particular purpose.
Unassigned	Amounts available for consumption or not restricted in any manner.

Board Policies 625 and 625.1 limit amounts that may be accumulated in the General Fund. Policy 625, Maintenance of Fund Balance, provides that the District shall maintain an unassigned General Fund Balance of not less than 3% of expenditures, and not more than the amount allowed by the Commonwealth of Pennsylvania, currently 8% of budgeted expenditures. Policy 625.1 established a Capital Reserve Fund to support the District's approved Capital Maintenance/Growth Plan, to which funds in excess of the amount determined under Policy 625 is transferred. In accordance with these policies, no unbudgeted transfer occurred as of June 30, 2021, or as of June 30, 2020.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2021**

The accompanying Fund Balance Review, on page 5, summarizes General Fund activity for the current and prior year. Unassigned Fund Balance decreased by \$1,027,252 and increased \$622,407 for the years ended June 30, 2021 and 2020, respectively, after transfers in accordance with Policy 625 noted above.

The District has committed a portion of the General Fund Balance for future state retirement costs and for the District's self-insured medical plan. The committed portion of the General Fund Balance for future retirement costs and for the District's self-insured medical plan is \$2,384,692 and \$500,000, for year ended June 30, 2021, respectively and \$884,692 and \$2,000,000 for year ended June 30, 2020, respectively.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2021 AND 2020
FUND BALANCE REVIEW

	Nonspendable Inventory & Prepays	Nonspendable Note Receivable	Committed Retirement Stabilization	Committed Health Benefits	Unassigned General	Total General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Nonspendable Permanent Fund
Fund Balance - 6/30/2019	\$ 159,158	\$ 266,896	\$ 2,384,692	\$ 500,000	\$ 5,293,780	\$ 8,604,526	\$ 10,547,517	\$ -	\$ 43,732,076
2019-2020 Activity									
Increase (Decrease)	8,102	(64,015)	(1,500,000)	1,500,000	622,407	566,494	(2,446,162)	-	(7,720)
Fund Balance - 6/30/20	167,260	202,881	884,692	2,000,000	5,916,187	9,171,020	8,101,355	-	43,724,356
2020-2021 Activity									
Increase (Decrease)	(19,230)	(179,455)	(384,692)	384,692	(1,027,252)	(1,225,937)	(2,078,682)	193,459	10,287,742
Fund Balance - 6/30/21	\$ 148,030	\$ 23,426	\$ 500,000	\$ 2,384,692	\$ 4,888,935	\$ 7,945,083	\$ 6,022,673	\$ 193,459	\$ 54,012,098

2020-2021 revenues from all sources, local, state, federal and other exceeded budgeted revenues by \$1,676,186, or about 2.63%. Revenue shortfalls occurred in some areas due to effects of the COVID-19 pandemic had on the local Derry Township economy, however overall revenue was up, more than anticipated.

2020-2021 actual expenditures were over budget expenditures by \$1,100,195. Actual expenditures exceeded budget due to the unknown expenses needed to educate students during the COVID-19 Pandemic. Additional grants also became available after the 2020-2021 budget was adopted, expense of that grant funding also caused actual expenses to exceed budgeted expenses.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021

Annual Financial Report

The governmental statements consist of the Statement of Net Assets and the Statement of Activities. These governmental statements combine governmental activities with business-type activities. The governmental activities include most of the District's programs and operations such as instruction, support services, plant operation and maintenance, pupil transportation and extracurricular activities. The business activities include services provided on a charge basis to recover the expenses of the services provided. The food service enterprise fund is reported as a business-type activity.

The Statement of Net Assets is a government-wide statement that summarizes the District's assets and liabilities in their entirety. It includes capital assets, net of a provision for accumulated depreciation, as well as long-term debt (mainly bonds payable).

The Statement of Activities is a government-wide statement that summarizes expenditures among the eight largest functions, as well as each program's net cost (total cost less subsidies, revenues generated by the activity, unrestricted grants and contributions by other organizations). It includes depreciation expense not previously recorded, and interest expense previously reported only in the debt service fund. The Governmental Funds Balance Sheet includes only assets expected to be used or consumed, and liabilities which will be due during the next year. Neither capital assets nor long-term debt are included. Note 1B to the Financial Statements explains the financial statements presentation in detail.

Fund Financial Statements

The Fund Statements present financial information in greater detail than the District-wide statements. Major funds are reported in separate columns, while non-major funds are aggregated and presented in a single column.

Governmental Funds are used to report most of the District's activities and focus on the flow of cash and other assets to and from the funds, and the remaining fund balances at the end of the fiscal year, which are available to be used in future periods. The governmental funds use the modified accrual method of accounting that measures cash and assets that can be readily converted to cash. The governmental funds provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine if there are greater or less financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities reported in the Statement of Net Assets and the Statement of Activities and governmental funds is reconciled in the financial statements.

Proprietary Funds are used to report District activities that are similar to business operations in the private sector. The Food Service Fund and the Granada Project Fund are the District's proprietary funds. Proprietary funds use the accrual method of accounting; therefore, proprietary fund reports will match, in all essential respects, the business-type activities portion of the government-wide statements.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, are used to support school programs. The District is a beneficiary under the will of Milton S. Hershey and receives quarterly income distributions calculated annually at approximately 5% of the March 31st market value, in accordance with procedures established by the Pennsylvania Attorney General. The distributions support the overall academic programs of the District.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021**

Fiduciary Funds are those funds that the District is the trustee, or fiduciary. Donations or bequests designated for scholarships are the primary fiduciary funds. Donors specify how the funds may be used. Since the funds may not be used for any other purpose, they are excluded from other District funds because the District is prohibited from using these funds to finance any other activities. The District's fiduciary activities are reported in separate Statements of Fiduciary Net Position.

The analysis of the District's major funds provides detailed information about the most significant funds - not the District as a whole. Some funds are required by state statute, while other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's four types of funds: governmental, proprietary, permanent and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2021 AND 2020
STATEMENT OF NET POSITION

	2021			2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows						
Current and other assets	\$ 75,895,655	\$ 1,266,939	\$ 77,162,594	\$ 68,149,302	\$ 890,320	\$ 69,039,622
Capital assets	73,555,725	268,677	73,824,402	75,561,032	339,909	75,900,941
Deferred outflow of resources	16,679,428	336,043	17,015,471	14,788,027	295,615	15,083,642
Total assets and deferred outflows	<u>\$ 166,130,808</u>	<u>\$ 1,871,659</u>	<u>\$ 168,002,467</u>	<u>\$ 158,498,361</u>	<u>\$ 1,525,844</u>	<u>\$ 160,024,205</u>
Liabilities and Deferred Inflows						
Current liabilities	\$ 11,205,999	\$ 80,353	\$ 11,286,352	\$ 11,106,684	\$ 120,620	\$ 11,227,304
Non-current liabilities	136,116,686	2,321,897	138,438,583	135,228,191	2,262,824	137,491,015
Deferred inflows of resources	6,148,318	125,619	6,273,937	4,802,801	97,935	4,900,736
Total liabilities and deferred inflows	<u>\$ 153,471,003</u>	<u>\$ 2,527,869</u>	<u>\$ 155,998,872</u>	<u>\$ 151,137,676</u>	<u>\$ 2,481,379</u>	<u>\$ 153,619,055</u>
Net Position						
Net investment in capital assets	\$ 51,515,249	\$ 268,677	\$ 51,783,926	\$ 50,714,009	\$ 339,909	\$ 51,053,918
Restricted	57,096,835	-	57,096,835	48,699,303	-	48,699,303
Unrestricted	(95,952,279)	(924,887)	(96,877,166)	(92,052,627)	(1,295,444)	(93,348,071)
Total net position	<u>\$ 12,659,805</u>	<u>\$ (656,210)</u>	<u>\$ 12,003,595</u>	<u>\$ 7,360,685</u>	<u>\$ (955,535)</u>	<u>\$ 6,405,150</u>

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2021 AND 2020
STATEMENT OF ACTIVITIES

	2021			2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program Revenues:						
Charges for services and sales	\$ 423,956	\$ 890,163	\$ 1,314,119	\$ 511,991	\$ 1,700,928	\$ 2,212,919
Operating grants and contributions	14,017,429	642,106	14,659,535	12,751,879	540,871	13,292,750
Total program revenues:	14,441,385	1,532,269	15,973,654	13,263,870	2,241,799	15,505,669
General Revenues, Transfers and Special Item:						
Property taxes	38,251,573	-	38,251,573	38,953,073	-	38,953,073
Act 511 taxes	9,376,433	-	9,376,433	9,876,374	-	9,876,374
State property tax relief	674,204	-	674,204	666,867	-	666,867
Investment earnings	11,994,130	1,473	11,995,603	1,995,177	3,272	1,998,449
Miscellaneous	186,715	-	186,715	128,081	-	128,081
Gain on disposal of fixed assets	-	-	-	81,813	-	81,813
Capital contributions	-	-	-	-	24,100	24,100
Transfers	(413,401)	413,401	-	(26,161)	26,161	-
Total general revenues, transfers and special item	60,069,654	414,874	60,484,528	51,675,224	53,533	51,728,757
Total revenues	74,511,039	1,947,143	76,458,182	64,939,094	2,295,332	67,234,426
Expenses						
Program Expenses:						
Instruction	42,176,953	-	42,176,953	40,946,122	-	40,946,122
Instructional student support	6,486,845	-	6,486,845	6,670,701	-	6,670,701
Administrative and financial support services	7,455,920	-	7,455,920	7,618,603	-	7,618,603
Operation and maintenance of plant services	7,736,315	-	7,736,315	6,377,502	-	6,377,502
Pupil transportation	2,920,371	-	2,920,371	3,045,912	-	3,045,912
Student activities	1,935,760	-	1,935,760	1,784,422	-	1,784,422
Community services	19,353	-	19,353	13,894	-	13,894
Food service	-	1,107,392	1,107,392	-	1,429,932	1,429,932
Granada project	-	540,426	540,426	-	590,603	590,603
Total program expenses	68,731,517	1,647,818	70,379,335	66,457,156	2,020,535	68,477,691
Interest and Fiscal Charges	709,919	-	709,919	729,066	-	729,066
Total expenses	69,441,436	1,647,818	71,089,254	67,186,222	2,020,535	69,206,757
Increase (decrease) in net position	5,069,603	299,325	5,368,928	(2,247,128)	274,797	(1,972,331)
Net position (deficit) - beginning	7,360,685	(955,535)	6,405,150	9,607,813	(1,230,332)	8,377,481
Prior period adjustment	229,517	-	229,517	-	-	-
Net position (deficit) - beginning (as restated)	7,590,202	(955,535)	6,634,667	9,607,813	(1,230,332)	8,377,481
Net position (deficit) - ending	\$ 12,659,805	\$ (656,210)	\$ 12,003,595	\$ 7,360,685	\$ (955,535)	\$ 6,405,150

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021

District Budget

The District's budget is prepared in accordance with Pennsylvania law and is based on accounting for certain transactions based on cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The budgeting system controls expenses by classifying expenses by functional areas and by type of expense. A summary of budget to actual results for 2020-2021, is shown in the review below:

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021
GENERAL FUND SPENDING REVIEW

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
	Budget	Budget	Amounts	Pos (Neg)
REVENUES				
6000 Local Sources	\$ 48,500,807	\$ 48,500,807	\$ 48,632,045	\$ 131,238
7000 State Sources	12,432,992	12,432,992	12,299,794	(133,198)
8000 Federal Sources	1,088,500	1,088,500	1,986,163	897,663
9000 Other Financing Sources	1,744,113	1,744,113	2,524,596	780,483
Total Revenues	63,766,412	63,766,412	65,442,598	1,676,186
EXPENDITURES				
1100 Regular Programs	27,483,603	27,479,403	28,369,328	(889,925)
1200 Special Programs	8,117,831	8,117,831	8,140,314	(22,483)
1300 Vocational Programs	1,544,842	1,544,842	1,400,931	143,911
1400 Other Instructional Programs	121,539	121,539	107,046	14,493
1700 Community College	132,242	132,242	131,984	258
2100 Pupil Personnel	2,340,674	2,340,674	2,360,636	(19,962)
2200 Instructional Staff Services	2,618,994	2,618,994	2,345,751	273,243
2300 Administrative Services	4,015,900	4,020,100	3,802,911	217,189
2400 Pupil Health	1,035,326	1,035,326	1,063,498	(28,172)
2500 Business Services	846,148	846,148	861,080	(14,932)
2600 Plant Operation & Maintenance	5,767,125	5,767,125	6,831,306	(1,064,181)
2700 Pupil Transportation	2,822,600	2,822,600	2,743,818	78,782
2800 Central	1,814,653	1,814,653	1,864,467	(49,814)
2900 Other Support Services	185,679	185,679	194,637	(8,958)
3200 Student Activities	1,681,443	1,681,443	1,628,579	52,864
3300 Community Services	10,581	10,581	18,350	(7,769)
5110 Debt Service	285,000	285,000	657,158	(372,158)
5120 Refund of Prior Years Receipts	-	-	190,021	(190,021)
5200 Interfund Transfers	4,744,160	4,744,160	3,956,720	787,440
Total Expenditures	65,568,340	65,568,340	66,668,535	(1,100,195)
CHANGE IN FUND BALANCE	\$ (1,801,928)	\$ (1,801,928)	\$ (1,225,937)	\$ 575,991

As noted earlier, 2020-2021 actual revenues exceeded budgeted revenues by \$1,676,186.

2020-2021 actual expenditures were more than budgeted expenditures by \$1,100,195.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021**

Capital Assets

The schedule below reflects capital assets owned by the District, net of accumulated depreciation. For comparative purposes, the schedule reflects both the current and the preceding year.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2021 AND 2020
CAPITAL ASSETS**

	2021			2020		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,047,274	\$ -	\$ 1,047,274	\$ 1,047,274	\$ -	\$ 1,047,274
Construction-in-progress	312,156	-	312,156	760,031	-	760,031
Site improvements	3,508,506	-	3,508,506	4,027,927	-	4,027,927
Building and building improvements	64,391,398	-	64,391,398	65,356,374	-	65,356,374
Furniture and equipment	4,296,391	268,677	4,565,068	4,369,426	339,909	4,709,335
	<u>\$ 73,555,725</u>	<u>\$ 268,677</u>	<u>\$ 73,824,402</u>	<u>\$ 75,561,032</u>	<u>\$ 339,909</u>	<u>\$ 75,900,941</u>

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021**

Debt

During 2020-2021, the District issued General Obligation Notes Series 2021 and Series 2021 A. The District's credit rating remains steady (Standard & Poor's Underlying AAA) places the District among only a handful of Pennsylvania districts with that rating; no districts are rated higher.

Current Issues

On June 27, 2006, Pennsylvania's governor signed Act 1 of Special Session 2006 into law. This legislation is far-reaching and complex and includes provisions for District property tax reduction funded through gaming revenue, facilitates a tax reduction and possible tax shift through imposition of additional earned income tax or personal income tax, requires voter approval through a "back end referendum" for real estate tax rate increases beyond a state-calculated index and created a Local Tax Study Commission to submit a recommendation to the Board regarding the tax shifting noted above. The Act also requires adoption of a preliminary budget as much as six months earlier than in the past.

The District is required to make contributions to the Pennsylvania State Employees Retirement System (PSERS) which covers substantially all employees. Contribution rates are projected to increase. Historic rates have been as follows:

2013-2014	16.93%
2014-2015	21.40%
2015-2016	25.84%
2016-2017	30.03%
2017-2018	32.57%
2018-2019	33.43%
2019-2020	34.29%
2020-2021	34.51%

The Commonwealth of Pennsylvania provides a subsidy for one-half of the retirement contributions.

Contacting the District's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, students, staff, investors and creditors with a general overview of the Derry Township School District's finances and to show the Board of School Directors' accountability for the funds the District receives. Questions about this report or requests for additional financial information should be directed to the Business Manager/School Board Secretary at Derry Township School District, 30A East Granada Avenue, Hershey, PA 17033, (717) 534-2501.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 17,156,954	\$ 1,090,877	\$ 18,247,831
Taxes receivable - net of allowance	422,152	-	422,152
Due from other governments	3,652,205	84,259	3,736,464
Other receivables	301,335	13,415	314,750
Inventories	145,593	78,388	223,981
Prepaid expense	2,437	-	2,437
Note receivable - Township of Derry	202,881	-	202,881
Total current assets	21,883,557	1,266,939	23,150,496
Noncurrent Assets			
Land	1,047,274	-	1,047,274
Construction-in-progress	312,156	-	312,156
Site improvements - net of accum. depreciation	3,508,506	-	3,508,506
Buildings and improvements - net of accum. depreciation	64,391,398	-	64,391,398
Furniture and equipment - net of accum. depreciation	4,296,391	268,677	4,565,068
Beneficial interest in perpetual trust	54,012,098	-	54,012,098
Total noncurrent assets	127,567,823	268,677	127,836,500
Total assets	\$ 149,451,380	\$ 1,535,616	\$ 150,986,996
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 15,645,256	\$ 319,291	\$ 15,964,547
Deferred amounts on OPEB liabilities	819,758	16,752	836,510
Deferred amounts related to refunding debt	214,414	-	214,414
Total deferred outflows of resources	\$ 16,679,428	\$ 336,043	\$ 17,015,471
Total assets and deferred outflows of resources	\$ 166,130,808	\$ 1,871,659	\$ 168,002,467

See Notes to Financial Statements.

	Governmental Activities	Business-Type Activities	Totals
Liabilities			
Current Liabilities			
Internal balances	\$ 134,377	\$ (134,377)	\$ -
Accounts payable	1,479,382	93,200	1,572,582
Accrued salaries and benefits	5,294,199	1,478	5,295,677
Payroll deductions and withholdings	459,514	-	459,514
Unearned revenue	11,299	120,052	131,351
Current portion of long-term liabilities	3,706,832	-	3,706,832
Accrued interest payable	120,396	-	120,396
Total current liabilities	11,205,999	80,353	11,286,352
Noncurrent Liabilities			
Net pension liability	100,128,000	2,043,000	102,171,000
General obligation bonds	19,498,254	-	19,498,254
Authority lease obligations	2,384,080	-	2,384,080
Other lease obligations	406,560	-	406,560
Accrued compensated absences	1,371,729	27,100	1,398,829
Other post-employment benefits (OPEB) payable	12,328,063	251,797	12,579,860
Total noncurrent liabilities	136,116,686	2,321,897	138,438,583
Total liabilities	\$ 147,322,685	\$ 2,402,250	\$ 149,724,935
Deferred Inflows of Resources			
Deferred amounts on pension liability	\$ 2,540,000	\$ 52,000	\$ 2,592,000
Deferred amounts on OPEB liabilities	3,608,318	73,619	3,681,937
Total deferred inflows of resources	\$ 6,148,318	\$ 125,619	\$ 6,273,937
Net Position (Deficit)			
Net investment in capital assets	\$ 51,515,249	\$ 268,677	\$ 51,783,926
Restricted	57,096,835	-	57,096,835
Unrestricted deficit	(95,952,279)	(924,887)	(96,877,166)
Total net position (deficit)	\$ 12,659,805	\$ (656,210)	\$ 12,003,595
Total liabilities, deferred inflows of resources and net position	\$ 166,130,808	\$ 1,871,659	\$ 168,002,467

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

Function/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	
Governmental Activities:						
Instruction	\$ 42,176,953	\$ 223,940	\$ 10,784,488	\$ (31,168,525)	\$ -	\$ (31,168,525)
Instructional student support	6,486,845	-	1,101,252	(5,385,593)	-	(5,385,593)
Administrative and financial support services	7,455,920	-	655,631	(6,800,289)	-	(6,800,289)
Operation and maintenance of plant services	7,736,315	25,439	482,328	(7,228,548)	-	(7,228,548)
Pupil transportation	2,920,371	-	642,391	(2,277,980)	-	(2,277,980)
Student activities	1,935,760	174,577	173,033	(1,588,150)	-	(1,588,150)
Community services	19,353	-	1,267	(18,086)	-	(18,086)
Debt service	709,919	-	177,039	(532,880)	-	(532,880)
Total governmental activities	69,441,436	423,956	14,017,429	(55,000,051)	-	(55,000,051)
Business-type Activities:						
Food service	1,107,392	35,654	642,106	-	(429,632)	(429,632)
Granada project	540,426	854,509	-	-	314,083	314,083
Total business-type activities	1,647,818	890,163	642,106	-	(115,549)	(115,549)
Total primary government	\$ 71,089,254	\$ 1,314,119	\$ 14,659,535	\$ (55,000,051)	\$ (115,549)	\$ (55,115,600)
General Revenues and Transfers:						
Property taxes, levied for general purposes				\$ 38,251,573	\$ -	\$ 38,251,573
Act 511 taxes, levied for general purposes				9,376,433	-	9,376,433
State property tax relief allocation				674,204	-	674,204
Investment earnings				11,994,130	1,473	11,995,603
Miscellaneous income				186,715	-	186,715
Transfers				(413,401)	413,401	-
Total general revenues and transfers				60,069,654	414,874	60,484,528
Changes in net position				5,069,603	299,325	5,368,928
Net position (deficit) - July 1, 2020				7,360,685	(955,535)	6,405,150
Prior period adjustment (see Note 1)				229,517	-	229,517
Net position (deficit) - July 1, 2020 (restated)				7,590,202	(955,535)	6,634,667
Net position (deficit) - June 30, 2021				\$ 12,659,805	\$ (656,210)	\$ 12,003,595

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2021

	General Fund	Capital Projects Fund	Permanent Fund	Student Sponsored Activity Fund	Totals Governmental Funds
Assets					
Cash and cash equivalents	\$ 10,894,566	\$ 6,068,929	\$ -	\$ 193,459	\$ 17,156,954
Taxes receivable - net of allowance	422,152	-	-	-	422,152
Due from other funds	196,702	1,340,000	-	-	1,536,702
Due from other governments	3,652,205	-	-	-	3,652,205
Other receivables	177,186	-	-	-	177,186
Inventories	145,593	-	-	-	145,593
Prepaid expense	2,437	-	-	-	2,437
Note receivable - Township of Derry	202,881	-	-	-	202,881
Beneficial interest in perpetual trust	-	-	54,012,098	-	54,012,098
Total assets	\$ 15,693,722	\$ 7,408,929	\$ 54,012,098	\$ 193,459	\$ 77,308,208
Liabilities					
Due to other funds	\$ 204,792	\$ 1,342,138	\$ -	\$ -	\$ 1,546,930
Accounts payable	1,435,264	44,118	-	-	1,479,382
Accrued salaries and benefits	5,294,199	-	-	-	5,294,199
Payroll deductions and withholdings	459,514	-	-	-	459,514
Unearned revenue	11,299	-	-	-	11,299
Total liabilities	7,405,068	1,386,256	-	-	8,791,324
Deferred Inflows of Resources					
Delinquent property taxes	343,571	-	-	-	343,571
Fund Balances					
Nonspendable	171,456	-	54,012,098	-	54,183,554
Restricted	-	6,022,673	-	193,459	6,216,132
Committed	2,884,692	-	-	-	2,884,692
Unassigned	4,888,935	-	-	-	4,888,935
Total fund balances	7,945,083	6,022,673	54,012,098	193,459	68,173,313
Total liabilities, deferred inflows of resources and fund balances	\$ 15,693,722	\$ 7,408,929	\$ 54,012,098	\$ 193,459	\$ 77,308,208

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2021**

Total fund balances - governmental funds	\$ 68,173,313
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of the capital assets is \$163,152,079, and the accumulated depreciation is \$89,596,354.

	73,555,725
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Property taxes receivable will be collected, but are not available soon enough to pay for the current period's expenditures, and therefore, are deferred inflows of resources in the funds.

	343,571
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Deferred inflows and outflows of resources related to pensions are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to the pension are as follows (see footnotes for detail):

Deferred outflows of resources	15,645,256
Deferred inflows of resources	(2,540,000)

Deferred inflows and outflows of resources related to OPEB are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to OPEB are as follows (see footnotes for detail):

Deferred outflows of resources	819,758
Deferred inflows of resources	(3,608,318)

Long-term liabilities, including bonds payable, lease obligations, net pension liability, compensated absences and other post-employment benefits; are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Bonds payable, net of related discounts and premiums	(22,644,254)	
Deferred amount on refunding of debt	214,414	
Accrued interest payable	(120,396)	
Authority lease obligations	(2,576,151)	
Other lease purchase obligations	(775,321)	
Net pension liability	(100,128,000)	
OPEB liabilities	(12,328,063)	
Accumulated compensated absences	(1,371,729)	(139,729,500)

Total net position - governmental activities	\$ 12,659,805
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2021**

	General Fund	Capital Projects Fund	Permanent Fund	Debt Service Funds	Student Sponsored Activity Fund	Totals Governmental Funds
Revenues						
Local sources	\$ 48,632,045	\$ 12,969	\$ 11,945,458	\$ -	\$ 82,041	\$ 60,672,513
State sources	12,299,794	-	-	-	-	12,299,794
Federal sources	1,986,163	-	-	-	-	1,986,163
Total revenues	62,918,002	12,969	11,945,458	-	82,041	74,958,470
Expenditures						
Instructional	38,149,603	-	-	-	-	38,149,603
Support services	22,068,104	2,091,651	-	56,827	-	24,216,582
Operation of noninstructional services	1,646,929	-	-	-	118,099	1,765,028
Refund of prior year receipts	190,021	-	-	-	-	190,021
Debt service	657,158	-	-	9,316,492	-	9,973,650
Total expenditures	62,711,815	2,091,651	-	9,373,319	118,099	74,294,884
Excess (deficiency) of revenues over expenditures	206,187	(2,078,682)	11,945,458	(9,373,319)	(36,058)	663,586
Other Financing Sources (Uses)						
Interfund transfers in	1,657,716	-	-	3,543,319	-	5,201,035
Interfund transfers out	(3,956,720)	-	(1,657,716)	-	-	(5,614,436)
Issuance of extended term financing	866,880	-	-	-	-	866,880
Issuance of refunding debt	-	-	-	5,830,000	-	5,830,000
Total other financing sources (uses)	(1,432,124)	-	(1,657,716)	9,373,319	-	6,283,479
Net changes in fund balances	(1,225,937)	(2,078,682)	10,287,742	-	(36,058)	6,947,065
Fund balance - July 1, 2020	9,171,020	8,101,355	43,724,356	-	-	60,996,731
Prior period adjustment (see Note 1)	-	-	-	-	229,517	229,517
Fund balances - July 1, 2020 (restated)	9,171,020	8,101,355	43,724,356	-	229,517	61,226,248
Fund balance - June 30, 2021	<u>\$ 7,945,083</u>	<u>\$ 6,022,673</u>	<u>\$ 54,012,098</u>	<u>\$ -</u>	<u>\$ 193,459</u>	<u>\$ 68,173,313</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2021

Net changes in fund balances - governmental funds	\$ 6,947,065
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and dispositions exceed capital outlays in the current period:

Capital outlays	2,840,545	
Less net book value of disposed assets	-	
Less depreciation expense	<u>(4,845,852)</u>	(2,005,307)

Some taxes will not be collected for several months after the District's fiscal year end, they are not considered as "available" revenues in the governmental funds. Deferred inflows of resources decreased by this amount during the year.	(33,482)
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Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. The change in interest accrued in the Statement of Activities over the amount due is shown here.	32,699
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Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds:

Change in net pension liability, net of deferred resources	(1,997,534)	
Change in OPEB liabilities, net of deferred resources	(523,630)	
Change in compensated absences	116,191	

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of general obligation debt, including bond premium	(5,830,000)	
Issuance of extended term financing	(866,880)	
Repayment of long-term debt	8,731,762	
Amortization of charges for bond refunding	(88,480)	
Amortization of bond premiums and discounts - net	218,438	
Repayment of extended term financing	<u>368,761</u>	2,533,601

Change in net position of governmental activities	\$ 5,069,603
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND**

Year Ended June 30, 2021

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Local sources	\$ 48,500,807	\$ 48,500,807	\$ 48,632,045	\$ 131,238
State sources	12,432,992	12,432,992	12,299,794	(133,198)
Federal sources	1,088,500	1,088,500	1,986,163	897,663
Total revenues	62,022,299	62,022,299	62,918,002	895,703
Expenditures				
Instruction				
Regular programs	27,483,603	27,479,403	28,369,328	(889,925)
Special programs	8,117,831	8,117,831	8,140,314	(22,483)
Vocational education programs	1,544,842	1,544,842	1,400,931	143,911
Other instructional programs	121,539	121,539	107,046	14,493
Community/junior college education programs	132,242	132,242	131,984	258
Total instruction	37,400,057	37,395,857	38,149,603	(753,746)
Support services				
Pupil personnel	2,340,674	2,340,674	2,360,636	(19,962)
Instructional staff	2,618,994	2,618,994	2,345,751	273,243
Administration	4,015,900	4,020,100	3,802,911	217,189
Pupil health	1,035,326	1,035,326	1,063,498	(28,172)
Business	846,148	846,148	861,080	(14,932)
Operation and maintenance of plant services	5,767,125	5,767,125	6,831,306	(1,064,181)
Student transportation services	2,822,600	2,822,600	2,743,818	78,782
Central	1,814,653	1,814,653	1,864,467	(49,814)
Other support services	185,679	185,679	194,637	(8,958)
Total support services	21,447,099	21,451,299	22,068,104	(616,805)
Operation of noninstructional services				
Student activities	1,681,443	1,681,443	1,628,579	52,864
Community services	10,581	10,581	18,350	(7,769)
Total operation of noninstructional services	1,692,024	1,692,024	1,646,929	45,095
Refund of prior years' receipts	-	-	190,021	(190,021)
Debt service	285,000	285,000	657,158	(372,158)
Total expenditures	60,824,180	60,824,180	62,711,815	(1,887,635)
Excess of revenues over expenditures	1,198,119	1,198,119	206,187	(991,932)
Other Financing Sources (Uses)				
Sale of or compensation for loss of fixed assets	35,000	35,000	-	(35,000)
Interfund transfers in	1,709,113	1,709,113	1,657,716	(51,397)
Interfund transfers out	(4,744,160)	(4,744,160)	(3,956,720)	787,440
Issuance of extended term financing	-	-	866,880	866,880
Total other financing (uses) sources	(3,000,047)	(3,000,047)	(1,432,124)	1,567,923
Net change in fund balance	\$ (1,801,928)	\$ (1,801,928)	\$ (1,225,937)	\$ 575,991

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

June 30, 2021

	Food Service Fund	Granada Project Fund	Totals
Assets			
Current Assets			
Cash and cash equivalents	\$ 6,455	\$ 1,084,422	\$ 1,090,877
Due from other funds	-	204,792	204,792
Due from other governments	84,259	-	84,259
Other receivables	13,415	-	13,415
Prepaid expenses	-	-	-
Inventories	78,388	-	78,388
Total current assets	182,517	1,289,214	1,471,731
Noncurrent Assets			
Food service equipment	2,197,282	-	2,197,282
Lease buyout	-	1,629,000	1,629,000
Accumulated depreciation and amortization	(1,928,605)	(1,629,000)	(3,557,605)
Total noncurrent assets	268,677	-	268,677
Total assets	\$ 451,194	\$ 1,289,214	\$ 1,740,408
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 319,291	\$ -	\$ 319,291
Deferred amounts on OPEB liabilities	16,752	-	16,752
Total deferred outflows of resources	\$ 336,043	\$ -	\$ 336,043

See Notes to Financial Statements.

	Food Service Fund	Granada Project Fund	Totals
Liabilities			
Current Liabilities			
Due to other funds	\$ 70,415	\$ -	\$ 70,415
Accounts payable	8,967	84,233	93,200
Accrued salaries and benefits	1,478	-	1,478
Unearned revenues	74,990	45,062	120,052
Total current liabilities	155,850	129,295	285,145
Noncurrent Liabilities			
Net pension liability	2,043,000	-	2,043,000
Accrued compensated absences	27,100	-	27,100
OPEB liabilities	251,797	-	251,797
Total noncurrent liabilities	2,321,897	-	2,321,897
Total liabilities	\$ 2,477,747	\$ 129,295	\$ 2,607,042
Deferred Inflows of Resources			
Deferred amounts on pension liability	\$ 52,000	\$ -	\$ 52,000
Deferred amounts on OPEB liabilities	73,619	-	73,619
Total deferred inflows of resources	\$ 125,619	\$ -	\$ 125,619
Net Position (Deficit)			
Net investment in capital assets	\$ 268,677	\$ -	\$ 268,677
Unrestricted (deficit) position	(2,084,806)	1,159,919	(924,887)
Total net (deficit) position	\$ (1,816,129)	\$ 1,159,919	\$ (656,210)

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS

Year Ended June 30, 2021

	Food Service Fund	Granada Project Fund	Total
Operating Revenues			
Food service revenue	\$ 35,654	\$ -	\$ 35,654
Rental income	-	313,763	313,763
CAM income	-	540,746	540,746
Total operating revenues	35,654	854,509	890,163
Operating Expenses			
Salaries	302,374	-	302,374
Employee benefits	259,692	-	259,692
Food and supplies consumed	441,820	-	441,820
Other expenses	32,274	-	32,274
CAM expenses	-	540,426	540,426
Depreciation and amortization	71,232	-	71,232
Total operating expenses	1,107,392	540,426	1,647,818
Operating income (loss)	(1,071,738)	314,083	(757,655)
Nonoperating Revenues			
State subsidies for food service	20,756	-	20,756
State subsidy for social security payments	11,494	-	11,494
State subsidy for retirement payments	50,074	-	50,074
Federal subsidies	515,538	-	515,538
Value of U.S.D.A. commodities	44,244	-	44,244
Investment earnings	-	1,473	1,473
Total nonoperating revenues	642,106	1,473	643,579
Income (loss) before transfers	(429,632)	315,556	(114,076)
Interfund Transfers In	413,401	-	413,401
Changes in net (deficit) position	(16,231)	315,556	299,325
Net Position (Deficit) - July 1, 2020	(1,799,898)	844,363	(955,535)
Net Position (Deficit) - June 30, 2021	<u>\$ (1,816,129)</u>	<u>\$ 1,159,919</u>	<u>\$ (656,210)</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS Year Ended June 30, 2021

	Food Service Fund	Granada Project Fund	Total
Cash Flows From Operating Activities			
Cash received from users	\$ 40,514	\$ 1,141,834	\$ 1,182,348
Cash payments to employees for services	(519,876)	-	(519,876)
Cash payments for goods and services	(465,763)	(573,678)	(1,039,441)
Net cash provided by (used in) operating activities	(945,125)	568,156	(376,969)
Cash Flows From Noncapital Financing Activities			
State subsidies	80,031	-	80,031
Federal subsidies	453,332	-	453,332
Transfers	413,401	-	413,401
Net cash provided by noncapital financing activities	946,764	-	946,764
Cash Flows From Investing Activities			
Investment earnings	-	1,473	1,473
Net increase in cash and cash equivalents	1,639	569,629	571,268
Cash and Cash Equivalents:			
July 1, 2020	4,816	514,793	519,609
June 30, 2021	<u>\$ 6,455</u>	<u>\$ 1,084,422</u>	<u>\$ 1,090,877</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Operating income (loss)	\$ (1,071,738)	\$ 314,083	\$ (757,655)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	71,232	-	71,232
Value of donated commodities	44,244	-	44,244
(Increase) decrease in:			
Other accounts receivable	(2,444)	242,263	239,819
Inventories	12,916	-	12,916
Prepaid expenses	-	6,413	6,413
Deferred outflows of resources	(40,428)	-	(40,428)
(Decrease) increase in:			
Internal balances	(57,796)	(76,749)	(134,545)
Accounts payable	8,967	37,084	46,051
Accrued salaries and benefits	(4,139)	-	(4,139)
Unearned revenues	7,304	45,062	52,366
Accrued compensated absences	(5,774)	-	(5,774)
Net pension liability	98,000	-	98,000
OPEB liabilities	(33,153)	-	(33,153)
Deferred inflows of resources	27,684	-	27,684
Net cash provided by (used in) operating activities	\$ (945,125)	\$ 568,156	\$ (376,969)
Supplemental Disclosure			
Noncash noncapital financing activity			
USDA donated commodities	<u>\$ 44,244</u>	<u>\$ -</u>	<u>\$ 44,244</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2021

	Private-Purpose Trust Fund
Assets	
Cash and cash equivalents	\$ 430,905
Investments	1,367,561
Total assets	<u>\$ 1,798,466</u>
Liabilities	
Due to other funds	\$ 124,149
Total liabilities	<u>\$ 124,149</u>
Net Position	
Restricted	\$ 1,674,317
Total net position	<u>\$ 1,674,317</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2021

	Private-Purpose Trust Fund
Additions	
Interest earned	\$ 804
Contributions	15,059
Unrealized gain on investments	409,765
Total additions	<u>425,628</u>
Deductions	
Scholarships awarded	117,123
Total deductions	<u>117,123</u>
Change in net position	308,505
Net Position:	
July 1, 2020	1,365,812
June 30, 2021	<u>\$ 1,674,317</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Derry Township School District (the District), operates a public school system that encompasses one municipality in Dauphin County. The District operates one elementary school, one middle school and one high school. The District operates under current standards prescribed by the Pennsylvania Department of Education in accordance with the provisions of the School Laws of Pennsylvania. The governing body of the District is comprised of a board of nine school directors who are each elected for a four-year term. The daily operation and management of the District is carried out by the administrative staff of the District, headed by the Superintendent of Schools who is appointed by the Board of School Directors. Funding for the District is received from local, Commonwealth and Federal sources and must comply with the requirements of the various funding source agencies.

The District assesses the taxpayers of these municipalities based upon taxing powers at its disposal. The ability of the District's taxpayers to pay their assessments is dependent upon economic and other factors affecting the taxpayers.

The financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative, standard setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

In evaluating the District as a reporting entity, management has addressed all potential component units which may or may not fall within the District's financial accountability. The criteria used by the District to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the District reviews the applicability of the following criteria:

The District is financially accountable for:

Organizations that make up the legal District entity.

Legally separate organizations if District officials appoint a voting majority of the organizations' governing body and the District is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Impose its will: If the District can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

Financial benefit or burden: Exists if the District (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

Organizations that are fiscally dependent on the District.

Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the District.

Based on the foregoing criteria, the District has no component entities that need to be included in the District's financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Joint Ventures: The District is a participant in several joint ventures, each of which is a separate legal entity that offers services to the District and its residents. These entities serve multiple school districts and municipalities, and therefore, are not included in this reporting entity as a component unit. These entities do not have taxing authority, but are required to adopt an annual budget, which is funded primarily by its members and others that use its services.

Dauphin County Area Vocational Technical School: The District is one of seven member school districts of the Dauphin County Technical School (DCTS). The Vo-Tech School provides vocational-technical education to the constituents of all participating school districts. Member school districts are responsible for funding the major portion of the Vo-Tech School's operating budget. For the year ended June 30, 2021, Derry Township School District paid \$538,356 for its estimated share of the operating budget. As of June 30, 2021, the Vo-Tech School's General Fund had total assets of \$3,565,644 and total liabilities of \$2,845,699. As of June 30, 2021, the Vo-Tech School had property and equipment net of accumulated depreciation of \$23,166,748, and long-term liabilities of \$51,528,715. The Vo-Tech School's outstanding balance on their Series of 2015 bond as of June 30, 2021, is \$14,745,000.

Derry Township Tax Collection Association: This Tax Association is a non-profit corporation created by both Derry Township School District and Derry Township to collect occupation privilege taxes and amusement taxes and to assist the elected tax collector in the collection of all real estate and occupation taxes and municipal street light assessments. The Association's expenses are shared equally by both the District and Township, with a contribution from the elected tax collector. During the year ended June 30, 2021, the District paid \$227,558 for its estimated share of the operating expenses. As of December 31, 2020, the Tax Association's General Fund had total assets of \$166,239 and total liabilities of \$7,848, resulting in a total fund balance of \$158,391. As of December 31, 2020, the Tax Association had general fund fixed assets net of accumulated depreciation of \$9,294.

Capital Area Intermediate Unit: This Intermediate Unit provides support and services to students with special needs that cannot be provided by district staff.

Harrisburg Area Community College: Provides higher education services. All Dauphin County Schools provide support to reduce tuition for district residents who attend full time.

The most recent audited financial statements of these joint ventures are available for inspection at the District's business office.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities and Fund Financial Statements, which provide a more detailed level of financial information.

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the District at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities, and for the business-type activities of the District. Direct expenses are those that are specifically associated with a service, program or department, and therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds for the year ended June 30, 2021:

The General Fund is the operating fund of the District and is used to account for all financial resources, except those required to be accounted for in another fund.

The Capital Projects Funds are made up of the Capital Reserve Fund as well as the Capital Projects Fund. The Capital Reserve Fund was established by the Board in April 2008, to fund various future school projects. The annual funding level shall be adjusted based on a board approved "capital maintenance/growth plan" and shall not exceed three years of projected expenditures. Expenditures are limited to: capital improvements, replacement of and additions to public works and improvements, for deferred maintenance thereof, and for the purchase or the replacement of school buses, and for no other purpose. The Capital Projects Fund was established by the Board in 2019, and is used to account for and report financial resources that are restricted to expenditures for the acquisition, construction, or improvement of major capital facilities.

The Permanent Fund is a beneficial interest in a perpetual trust. The fund is legally restricted to the extent that only earnings, and not principal, are used for purposes that support the District's programs.

The Debt Service fund accounts for accumulation of resources for, and the payment of long-term debt principal, interest and related costs.

The Student Sponsored Activity Fund is set up in accordance with Section 511 of the PA School Code for student sponsored school organizations and publications which do not meet the criteria to be reported as custodial funds per GASB Statement No. 84 *Fiduciary Activities*.

Proprietary Funds focus on the determination of the changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no internal service funds.

Enterprise Funds are used to account for any activity for which a fee is charged to external users for goods or services. The District reports the following enterprise funds:

The Food Service Fund accounts for the financial transactions related to food service operations.

The Granada Project Fund accounts for financial transactions related to facility rental operations.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting (Continued)

Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the District's own programs. The District's only trust funds are private purpose trust funds which account for scholarship programs for students.

D. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets, plus deferred outflows of resources, less total liabilities, less deferred inflows of resources) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the Statement of Net Position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenue from Federal, State and other grants designated for payment of specific School District expenditures are recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Budgets and Budgetary Accounting

An operating budget is adopted prior to the beginning of each year for the General Fund on a modified accrual basis of accounting. The General Fund is the only fund for which a budget is legally required.

The Pennsylvania School Code dictates specific procedures relative to adoption of the District's budget and reporting of its financial statements, specifically:

The District, before levying annual school taxes, is required to prepare an operating budget for the succeeding fiscal year.

The District is required to publish notice by advertisement, at least once in two newspapers of general circulation in the municipality in which it is located, and within 15 days of final action, that the proposed budget has been prepared and is available for public inspection at the administrative office of the District.

Notice that public hearings will be held on the proposed operating budget must be included in the advertisement; such hearings are required to be scheduled at least 10 days prior to when final action on adoption is taken by the Board.

Legal budgetary control is maintained at the sub-function/major object level. The Board may make transfers of funds appropriated to any particular item of expenditure by legislative action in accordance with the Pennsylvania School Code. Management may amend the budget at the sub-function/sub-object level without Board approval. Appropriations lapse at the end of the fiscal period. Budgetary information reflected in the financial statements is presented at or below the level of budgetary control and includes the effect of approved budget amendments. The Board made no supplemental budgetary appropriations throughout the year.

In order to preserve a portion of an appropriation for which an expenditure has been committed by a purchase order, contract or other form of commitment, an encumbrance is recorded. Encumbrances outstanding at year-end are reported in the fund financial statements as a committed fund balance.

Included in the General Fund budget are program budgets as prescribed by the federal and state agencies funding the program. These budgets are approved on a program by program basis by the federal and state funding agencies.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Cash and Cash Equivalents and Investments: Cash includes all demand deposits, petty cash, savings, money market accounts and Certificates of Deposit owned by the District. Investments include repurchase agreements, investment trusts which mature at a future date, mutual funds and United States Treasury Notes. Investments are stated at fair value. Accrued interest is reflected as “other receivables” on the balance sheet.

The District is authorized by Sec. 440.1 of the Public School Code of 1949, as amended, to invest in United States Treasury Bills, short-term obligations of the United States Government or its agencies and instrumentalities, or in deposits, in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) or the National Credit Union Share Insurance Fund (NCUSIF), to the extent that such accounts are so insured, and for any amounts above the insured maximums, provided that approved collateral as required by provisions of Act No. 72 of the Commonwealth of Pennsylvania are pledged by the depository.

For purposes of these financial statements, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Interfund Balances: On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payable.” These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Inventory: On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are based upon the latest invoice price, which approximates cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. Inventories of the governmental funds and enterprise fund are expensed when used.

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items (consumption method) in both the government-wide and fund financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Capital Assets: General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$500. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land, land improvements and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	20-50 years	N/A
Furniture and equipment	5-15 years	5-12 years
Vehicles	8-10 years	N/A

Deferred Outflows of Resources - Pensions: The District recognizes the difference between expected and actual experience, the net difference between projected and actual investment earnings, changes in proportion, the difference between employer contributions and proportionate share of total contributions and the contributions subsequent to the measurement date as deferred outflows of resources. These amounts are amortized over the average remaining service lives of active and inactive members.

Deferred Outflows of Resources - Other Post-Employment Benefits: The District recognizes the difference between expected and actual experience, changes in assumptions, net difference between projected and actual investment earnings, changes in proportion, the difference between employer contributions and proportionate share of total contributions, benefit payments subsequent to the measurement date and contributions subsequent to the measurement date as deferred outflows of resources. These amounts are amortized over the average remaining service lives of active and inactive members.

Deferred Outflows of Resources - Deferred Amounts on Refunding Debt: The District recognizes the difference between the re-acquisition price and the net carrying amount of the old debt as a deferred outflow which is a component of interest expense over the remaining life of the old or new debt, whichever is shorter.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Long-Term Obligations: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activity columns in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Compensated Absences: Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments. The compensated absence liability is reported on the government-wide financial statements.

Pensions: Substantially all full-time and qualifying part-time employees of the District participate in a cost sharing, multiple employer defined benefit pension plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Other Post-Employment Benefits: In the government-wide financial statements, the District recognizes the costs and liabilities associated with post-employment benefits other than pension compensation. The District participates in two plans, the first is a single employer plan administered by the District. The Plan provides retiree health, vision, dental care and prescription drug benefits for eligible, retired employees and their qualified spouses/beneficiaries. The District estimates the cost of providing these benefits through an actuarial valuation.

The District also participates in a governmental cost sharing, multiple employer other post-employment benefit plan (OPEB) with PSERS for all eligible retirees who qualify and elect to participate. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The balance of the District's OPEB liabilities and related deferred outflows/inflows of resources at June 30, 2021, are as follows:

	Governmental Activities	Business-Type Activities	Total
OPEB Liabilities			
District's Single Employer Plan	\$ 7,928,063	\$ 161,797	\$ 8,089,860
PSERS Cost Sharing Plan	4,400,000	90,000	4,490,000
Total	<u>\$ 12,328,063</u>	<u>\$ 251,797</u>	<u>\$ 12,579,860</u>
 Deferred Outflows of Resources			
District's Single Employer Plan	\$ 237,758	\$ 4,852	\$ 242,610
PSERS Cost Sharing Plan	582,000	11,900	593,900
Total	<u>\$ 819,758</u>	<u>\$ 16,752</u>	<u>\$ 836,510</u>
 Deferred Inflows of Resources			
District's Single Employer Plan	\$ 3,509,318	\$ 71,619	\$ 3,580,937
PSERS Costs Sharing Plan	99,000	2,000	101,000
Total	<u>\$ 3,608,318</u>	<u>\$ 73,619</u>	<u>\$ 3,681,937</u>

Additional disclosures related to other post-employment benefits of the District's Single Employer Plan and PSERS Cost Sharing Plan are in Notes 12 and 13, respectively.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Deferred Inflows of Resources - Unearned Revenues: The District recognizes property tax revenues when they become available. Available includes those property taxes expected to be collected within 60 days after year-end. Those property taxes expected to be collected beyond 60 days after year-end are shown as deferred revenue in the fund financial statements. Governmental funds also defer revenues in connection with resources that have been received, but not yet earned.

Deferred Inflows of Resources - Pensions: The District recognizes the difference between expected and actual experience and changes in proportion as deferred inflows of resources. These amounts are amortized over the average remaining service lives of active and inactive members.

Deferred Inflows of Resources - Other Post-Employment Benefits: The District recognizes the difference between expected and actual experience, changes in assumptions and changes in proportion as deferred inflows of resources. These amounts are amortized over the average remaining service lives of active and inactive members.

Government-wide Net Position: Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The District's net position is composed of the following:

Net Investment in Capital Assets: Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of these assets.

Restricted: Represents amounts with external constraints placed on the use of these resources or imposed through constitutional provisions or enabling legislation. Restricted net position for the governmental activities is composed of the following:

	Amount
Capital improvements	\$ 2,891,278
Student sponsored activities	193,459
Beneficial interest in perpetual trust (nonexpendable)	54,012,098
Total restricted net position	<u>\$ 57,096,835</u>

There were no restrictions placed on net position for the business-type activities.

Unrestricted: The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not reported in net investment in capital assets or as restricted net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Fund Balances: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Represents amounts that cannot be spent either because they are in nonspendable form (such as inventory or prepaids) or because they are legally or contractually required to be maintained intact (such as notes receivable or principal of a permanent fund).

Restricted: Represents amounts with external constraints placed on the use of these resources (such as grantors, bondholders and higher level of government) or imposed through constitutional provisions or enabling legislation.

Committed: Represents amounts that can only be used for specific purposes imposed by a formal action of the District's highest level of decision making authority, the Board. Committed resources cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same formal action that imposed the constraint originally.

Assigned: Represents amounts the District intends to use for specific purposes as expressed by the Board or an official delegated the authority. The Board has delegated the authority to assign fund balances to the Business Manager. The District does not have any amounts that are assigned.

Unassigned: Represents amounts that are available for any purpose, reported only in the General Fund.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expensed is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and unassigned fund balance.

The District's policy is to maintain eight percent (8%) of annual budgeted operating expenditures for the next fiscal year as its maximum general fund unassigned fund balance.

The following schedule provides information about the specific fund balance classification by fund:

	General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Permanent Fund	Total
Nonspendable					
Inventory	\$ 145,593	\$ -	\$ -	\$ -	\$ 145,593
Prepaid expenses	2,437	-	-	-	2,437
Note receivable	23,426	-	-	-	23,426
Beneficial interest in perpetual trust	-	-	-	54,012,098	54,012,098
Restricted					
Capital improvements	-	6,022,673	-	-	6,022,673
Student sponsored activities	-	-	193,459	-	193,459
Committed					
Health benefits	2,384,692	-	-	-	2,384,692
Retirement stabilization	500,000	-	-	-	500,000
Unassigned	4,888,935	-	-	-	4,888,935
Total	<u>\$ 7,945,083</u>	<u>\$ 6,022,673</u>	<u>\$ 193,459</u>	<u>\$ 54,012,098</u>	<u>\$ 68,173,313</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. Other

Encumbrances: Encumbrances at year-end are reported in the fund financial statements as restricted or committed fund balances since they do not constitute expenditures or liabilities but serve as authorization for expenditures in the subsequent year.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparation of these financial statements include depreciation, compensated absences, pension-related items and other post-employment benefits. Accordingly, actual results could differ from those estimates.

Restatement of Net Position and Fund Balance Beginning Balances: As of July 1, 2020, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. The implementation of GASB No. 84 required the District to report student sponsored activities, previously reported as an agency fund in the fiduciary funds financial statements, as a special revenue fund in the governmental funds financial statements. This change has resulted in a restatement of government-wide net position and governmental fund balance of \$229,517.

Subsequent Events: In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through December 14, 2021, the date that the financial statements were available to be issued. See Note 18.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments

Under Section 440.1 of the Public School Code of 1949, as amended, the District is permitted to invest funds consistent with sound business practices in the following types of investments:

- U.S. Treasury Bills
- Short-term obligations of the U.S. Government or its agencies or its instrumentalities
- Deposits in savings accounts or time deposits or share accounts of institutions insured by:
 1. The Federal Deposit Insurance Corporation (FDIC), or
 2. The Federal Savings and Loan Insurance Corporation (FSLIC), or
 3. The National Credit Union Share Insurance Fund (NCUSIF) to the extent that such accounts are so insured, and for any amounts above maximum insurable limits, provided that approved collateral as provided by law shall be pledged by the depository
- Obligations of (a) the United States of America or its agencies or instrumentalities backed by the full-faith and credit of the United States of America, and (b) the Commonwealth of Pennsylvania, or instrumentalities thereof, backed by the full-faith and credit of these political subdivisions
- Shares of investment companies whose investments are restricted to the above categories

The deposit and investment policy of the District adheres to state statutes and prudent business practices. There were no deposit or investment transactions during the year that were in violation of either state statutes or the policy of the District.

Deposits: Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank default, the District's investments may not be returned to it. A summary of the District's deposits at June 30, 2021, are shown below:

	Carrying Amount	Bank Balance	Financial Institution
Insured (FDIC)	\$ 250,000	\$ 250,000	First National Bank
Insured (FDIC)	4,057,878	4,057,878	Bryn Mawr Trust
Uninsured, collateralized in accordance with Act 72	14,333,908	14,699,356	First National Bank
	<u>\$ 18,641,786</u>	<u>\$ 19,007,234</u>	

Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledgers of the assets.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. Deposits and Investments (Continued)

Investments

It is the District's investment policy to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments. The primary objectives of investment activities, in priority order, shall be:

1. Legality - All investments shall be made in accordance with applicable laws of Pennsylvania.
2. Safety - Safety of principal shall be of highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.
3. Liquidity - Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.
4. Yield - Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

At June 30, 2021, the District had no investments with maturities greater than 12 months within the governmental funds.

As of June 30, 2021, the James L. Fillmore Scholarship Trust Fund (contained within the fiduciary fund - private purpose trust fund), to be used to provide scholarships for students to attend the University of Cincinnati, had the following investments:

Investments	Fair Value
Money market fund	\$ 28,858
Mutual funds	998,215
Common stock	262,069
Exchange traded funds	107,277
Total investments	<u>\$ 1,396,419</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Common Stocks, Mutual Funds and Exchange Traded Funds: The fair value of common stocks and mutual funds are based on closing market prices for the identical security as reported in active markets. These investments are reported at fair value as Level 1 investments under GASB Statement No. 72.

Money Market Funds: Fixed income securities do not always trade on a daily basis so the fair values of each security are dependent upon various pricing models that incorporate benchmark yields, interest rates, credit risk, broker-dealer quotes and other valuation processes. These investments are reported at fair value as a Level 2 investment under GASB Statement No. 72.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 3. Beneficial Interest in a Perpetual Trust

The District is named the beneficiary in a perpetual trust, which originated from a bequest by Milton S. Hershey in 1946, and is administered by Fulton Bank, NA. The perpetual trust is to pay income to the District quarterly, and the District is to use the funds for such purpose as determined by the Board. The funds in the trust are restricted and are not available to the District, except for distributions made from the trust to the District per the trust agreement and state law governing perpetual trusts. Assets of the perpetual trust are restricted in the Statement of Net Position and designated as nonspendable in the governmental funds balance sheet. The assets are recorded at fair value. Income less trustee fees and changes in fair value of the perpetual trust are recorded as investment earnings. The following is a summary of the transactions for the year ended June 30, 2021:

	Amount
Balance at July 1, 2020	\$ 43,724,356
Net investment income	12,119,930
Trustee fees	(174,472)
Transfers to general fund	(1,657,716)
Balance at June 30, 2021	<u>\$ 54,012,098</u>

The assets of the perpetual trust are categorized as Level 3. Financial assets valued using level 3 inputs are based on significant unobservable inputs and have the lowest priority. According to FASB ASC 820-10-35-58, if an organization will never be able to redeem its investment at the net asset value per share (as in a perpetual trust), the measurement should be categorized as a Level 3 fair value measurement.

Note 4. Property Taxes

Based upon assessed valuations provided by the County, the District bills and collects its own property taxes. The schedule for property taxes levied for 2020-2021, is as follows:

July 1, 2020	Tax levy date
Through August 31, 2020	2% discount
September 1 - October 31, 2020	Face payment period
November 1 - December 31, 2020	10% penalty period
January 1, 2021	Lien filing date

The District's tax rate for all purposes in 2020-2021 was 18.7958 mills (\$18.7958 per \$1,000 assessed valuation). Refunds on payments of prior year taxes are classified as Other Debt Service items under the Commonwealth of Pennsylvania's accounting system. Current tax collections for the District were approximately 98% of the total tax levy.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 5. Taxes Receivable, Deferred Inflows of Resources, and Estimated Uncollectible Taxes

A summary of the taxes receivable and related accounts at June 30, 2021, are as follows:

	Amount
Uncollected Taxes	\$ 2,298,003
Estimated uncollectible taxes	(1,875,851)
Taxes Receivable - Net	<u>\$ 422,152</u>
Taxes to be collected within 60 days	\$ 78,581
Deferred inflows of resources - delinquent property taxes	343,571
Taxes Receivable - Net	<u>\$ 422,152</u>

Note 6. Note Receivable - Township of Derry

In March 2002, the District entered into the Gymnasium Facility Joint Management and Use Agreement with the Township of Derry. This agreement requires that the Township of Derry pay an annual user fee to the District in an amount equal to the proportionate share of the costs in renovating the Granada Gymnasium, together with an interest component equal to the District's cost of funds to finance the construction and financing of the renovations and an annual administrating fee. The Township of Derry's proportionate share of cost for the renovation amounted to \$904,440. Interest was to be paid on this amount based on the same interest rate the District incurred on the debt (series of 2012) directly related to this renovation, which ranged from 1.45% to 3.00%.

During the year ended June 30, 2021, the District and the Township of Derry were in the process of finalizing an agreement to terminate the Gymnasium Facility Joint Management and Use Agreement. Due to the pending termination agreement, there were no payments of principal or interest on the note receivable during the year ended June 30, 2021. The termination agreement became effective July 2021, resulting in the entirety of the note receivable to be reported as a current asset as of June 30, 2021. See subsequent event at Note 18 for further information.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Interfund Receivables and Payables and Transfers

Individual fund receivable and payable balances at June 30, 2021, are as follows:

Fund	Interfund Receivables	Interfund Payables
Governmental Funds		
General	\$ 196,702	\$ 204,792
Capital projects	1,340,000	1,342,138
Proprietary Funds		
Food service	-	70,415
Granada project	204,792	-
Fiduciary Fund		
Private purpose trust	-	124,149
	<u>\$ 1,741,494</u>	<u>\$ 1,741,494</u>

In order to take advantage of higher interest rates, the District holds all of the cash for each fund in one account. They make monthly transfers to cover the expenses of each fund. The balances in the interfund receivables are the amount of cash belonging to that fund in the general fund account.

All interfund receivable/payable balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All balances are expected to be repaid within the following year.

Individual fund transfers during the fiscal year ended June 30, 2021, are as follows:

Fund	Transfers In	Transfers Out
Governmental Funds		
General	\$ 1,657,716	\$ 3,956,720
Permanent	-	1,657,716
Debt service	3,543,319	-
Proprietary Fund		
Food service	413,401	-
	<u>\$ 5,614,436</u>	<u>\$ 5,614,436</u>

Transfers and payments within the District are substantially for purposes of funding capital projects and asset acquisitions or maintaining debt service on a routine basis. Transfers are made from the general fund to the food service fund for operation of the school's cafeteria program. Transfers are made from the permanent fund to the general fund for investment earnings of the fund. Resources are accumulated in a fund to support and simplify the administration of various projects or programs.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	July 1, 2020	Increases	Decreases	June 30, 2021
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 1,047,274	\$ -	\$ -	\$ 1,047,274
Construction-in-progress	760,031	1,473,877	1,921,752	312,156
Total capital assets not being depreciated	1,807,305	1,473,877	1,921,752	1,359,430
Capital assets being depreciated				
Site improvements	10,730,724	-	-	10,730,724
Buildings and building improvements	117,261,982	2,058,278	-	119,320,260
Furniture and equipment	30,515,408	1,230,142	3,885	31,741,665
Total capital assets being depreciated	158,508,114	3,288,420	3,885	161,792,649
Less accumulated depreciation				
Site improvements	6,702,797	519,421	-	7,222,218
Buildings and building improvements	51,905,608	3,023,254	-	54,928,862
Furniture and equipment	26,145,982	1,303,177	3,885	27,445,274
Total Accumulated Depreciation	84,754,387	4,845,852	3,885	89,596,354
Total capital assets being depreciated, net	73,753,727	(1,557,432)	-	72,196,295
Total Governmental Activities, Capital Assets - Net	\$ 75,561,032	\$ (83,555)	\$ 1,921,752	\$ 73,555,725
Business-Type Activities				
Capital assets being depreciated				
Equipment	\$ 2,197,919	\$ -	\$ 637	\$ 2,197,282
Less accumulated depreciation				
Equipment	1,858,010	71,232	637	1,928,605
Business-Type Activities, Capital Assets - Net	\$ 339,909	\$ (71,232)	\$ -	\$ 268,677

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Capital Assets (Continued)

Depreciation on equipment was charged to functions/programs of the primary government as follows:

	Amounts
Governmental Activities:	
Instruction	\$ 3,288,575
Instructional student support	469,607
Administrative and financial support services	477,377
Operation and maintenance of plant services	304,376
Pupil transportation	179,007
Student activities	125,988
Other community services	922
Total governmental activities	<u>4,845,852</u>
Business-Type Activities	
Food service	<u>71,232</u>
Total School District	<u><u>\$ 4,917,084</u></u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations

A summary of the reporting entity's long-term obligations as of June 30, 2021, and transactions during the year then ended follows:

	July 1, 2020	Increases	Decreases	June 30, 2021	Due within one year
Governmental activities:					
Bonds and notes payable					
Series A of 2012	\$ 1,855,000	\$ -	\$ 1,855,000	\$ -	\$ -
Series of 2015	1,935,000	-	1,935,000	-	-
Series A of 2015	5,605,000	-	2,055,000	3,550,000	1,125,000
Series of 2016	1,725,000	-	410,000	1,315,000	430,000
Series A of 2019	3,010,000	-	975,000	2,035,000	50,000
Series B of 2019	1,555,000	-	-	1,555,000	-
Series C of 2019	8,985,000	-	1,305,000	7,680,000	1,365,000
Series of 2021	-	4,815,000	-	4,815,000	175,000
Series A of 2021	-	1,015,000	-	1,015,000	1,000
Net premium on bonds	897,692	-	218,438	679,254	-
Total bonds and notes payable	25,567,692	5,830,000	8,753,438	22,644,254	3,146,000
Dauphin County Technical School					
lease obligation	2,772,913	-	196,762	2,576,151	192,071
Other lease obligations	277,202	866,880	368,761	775,321	368,761
Compensated absences	1,487,920	-	116,191	1,371,729	-
Total governmental activities					
long-term obligations	\$ 30,105,727	\$ 6,696,880	\$ 9,435,152	\$ 27,367,455	\$ 3,706,832
Business-type activities:					
Compensated absences	\$ 32,874	\$ -	\$ 5,774	\$ 27,100	\$ -
Total business-type activities					
long-term obligations	\$ 32,874	\$ -	\$ 5,774	\$ 27,100	\$ -

General Obligation Bonds - Series A of 2012 - On December 19, 2012, the District authorized the issuance of General Obligation Bonds, Series A of 2012, in the aggregate principal amount of \$3,240,000. The proceeds of the bonds were used to provide funds to: (1) fund alterations, additions and renovations to the Hershey Middle School, including a new HVAC system for the middle school, and other various capital improvement projects of the District; (2) pay the costs of issuing the bonds. The Bonds bore interest rates that were not to exceed 2.00%; the initial rate was 0.30%. The bonds were to mature serially in amounts ranging from \$5,000 to \$805,000 through 2025. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to fully refund these bonds.

General Obligation Bonds - Series of 2015 - On February 19, 2015, the District authorized the issuance of General Obligation Bonds, Series of 2015, in the aggregate principal amount of \$9,995,000. The proceeds of the bonds were used to provide funds to: (1) the partial current refunding and redemption of the general obligation bonds, series A of 2010 of the District; and (2) pay the costs of issuing the bonds. The refunding reduced total debt service payments by \$722,397 over the next 8 years. This resulted in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$686,114. The Bonds bore interest rates that were not to exceed 4.00%; the initial rate was 0.20%. The bonds were to mature serially in amounts ranging from \$105,000 to \$1,820,000 through 2023. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to fully refund these bonds.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

General Obligation Bonds - Series A of 2015 - On November 23, 2015, the District authorized the issuance of General Obligation Bonds, Series A of 2015, in the aggregate principal amount of \$6,120,000. The proceeds of the bonds were used to provide funds to: (1) advance refund a portion of the outstanding General Obligation Bonds, Series of 2008 of the District; and (2) pay the costs of issuing the bonds. A portion of the proceeds was irrevocably deposited in an escrow fund maintained by Manufacturers and Traders Trust Company. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series 2008 bonds. As a result, a portion of the Series 2008 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds was \$5,875,000 at June 30, 2018, and this amount was paid in full during the year-ending June 30, 2019. The advanced refunding reduced total debt service payments by \$712,639 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$674,897. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 1.00%. The bonds mature serially in amounts ranging from \$170,000 to \$2,230,000 through 2024. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to partially refund these bonds.

General Obligation Bonds - Series of 2016 - On February 22, 2016, the District authorized the issuance of General Obligation Bonds, Series of 2016, in the aggregate principal amount of \$7,200,000. The proceeds of the bonds were used to provide funds for: (1) the current refunding of the general obligation bonds, series of 2011 of the District; and (2) pay the costs of issuing the bonds. The refunding reduced total debt service payments by \$269,880 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$267,605. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 0.37%. The bonds mature serially in amounts ranging from \$255,000 to \$1,360,000 through 2023.

General Obligation Notes - Series A of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series A of 2019, in the aggregate principal amount of \$3,310,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2012, of the District; (2) the current refunding of a portion of the outstanding General Obligation Bonds, Series A of 2012, of the District, (3) various capital projects of the District and (4) pay the costs of issuing the notes. The economic loss on the refunding of the 2012, and 2012A bonds was \$165,934. The Notes bear interest rates that shall not exceed 4.00%; the initial rate is 1.78%. The notes mature serially in amounts ranging from \$10,000 to \$1,685,000 through 2026. On January 25, 2021, the District issued General Obligation Bond - Series A of 2021 to partially refund these bonds.

General Obligation Notes - Series B of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series B of 2019, in the aggregate principal amount of \$1,555,000. The proceeds of the notes were used to provide funds to: (1) various capital projects of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 3.5%. The notes are not subject to redemption prior to maturity and are scheduled to mature in May 2026.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

General Obligation Notes - Series C of 2019 - On December 20, 2019, the District authorized the issuance of General Obligation Notes, Series C of 2019, in the aggregate principal amount of \$9,030,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2014, of the District and (2) pay the costs of issuing the bonds. The economic gain on the refunding of the 2014 bonds was \$421,150. The bonds bear interest rates that shall not exceed 4.00%, the initial rate is 1.20%. The bonds mature serially in amounts ranging from \$45,000 to \$3,380,000 through 2024.

General Obligation Notes - Series of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Notes, Series of 2021, in the aggregate principal amount of \$4,815,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series A of 2012, and Series of 2015, and a portion of the General Obligation Bonds, Series A of 2015, of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 1.38%. The Notes mature serially in amounts ranging from \$30,000 to \$2,625,000 through 2028.

General Obligation Bonds - Series A of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Bonds, Series A of 2021, in the aggregate principal amount of \$1,015,000. The proceeds of the Bonds were used to advance refund the District's outstanding General Obligation Notes, Series A of 2019 and to pay for the cost of issuance. A portion of the proceeds was irrevocably deposited in a trust with an escrow agent. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series A of 2019 bonds. As a result, a portion of the Series A of 2019 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds is \$910,000 as of June 30, 2021. The economic loss on the refunding of the bonds was \$39,914. The Notes bear an interest rate of 1.25%. The bonds mature serially in amounts ranging from \$1,000 to \$1,010,000 through 2027.

The following is a schedule of principal and interest requirements to service the general long-term debt of the District:

Years	General Obligation Debt		
	Principal	Interest	Total
2021-2022	\$ 3,146,000	\$ 567,060	\$ 3,713,060
2022-2023	3,236,000	474,382	3,710,382
2023-2024	3,336,000	379,093	3,715,093
2024-2025	3,451,000	262,438	3,713,438
2025-2026	3,516,000	193,412	3,709,412
2027-2031	5,280,000	287,664	5,567,664
	<u>\$ 21,965,000</u>	<u>\$ 2,164,049</u>	<u>\$ 24,129,049</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

Lease Obligations - Dauphin County Technical School Lease Obligation

The Board authorized the incurring of lease rental debt in connection with the Dauphin County Technical School, by entering into an agreement of lease and guaranty with Dauphin County Technical School, dated March 15, 2007. The Technical School constructed improvements and renovations and acquired equipment for the Technical School and has financed it by issuing \$24,750,000 in School Lease Revenue Bonds, Series of 2007, dated March 15, 2007. These bonds were refinanced by the issuance of Series of 2015, dated March 15, 2015, in the amount of \$19,005,000. This debt is supported by the full faith, credit and taxing power of the seven member school districts who participate in the Technical School. Derry Township School District's original share of this debt was \$3,170,034, which was based on the market valuation of all taxable real property in each school district.

The following is a schedule of principal and interest requirements to service the Lease Obligations - Dauphin County Technical School Bond requirements of the District:

Years	Vo-Tech Lease Obligation		
	Principal	Interest	Total
2021-2022	\$ 192,071	\$ 95,827	\$ 287,898
2022-2023	200,402	87,757	288,159
2023-2024	208,787	79,291	288,078
2024-2025	218,010	70,381	288,391
2025-2026	227,234	60,974	288,208
2027-2031	1,529,647	145,716	1,675,363
	<u>\$ 2,576,151</u>	<u>\$ 539,946</u>	<u>\$ 3,116,097</u>

Compensated Absences

Under the terms of the District's employment policies, employees are reimbursed for accrued vacation upon retirement or other termination of employment. The reimbursement rate is established by the employment contract and varies by employee classification. In addition, employees are granted sick days per school year, and any unused sick days are permitted to be carried over to future years. Upon retirement from the District, employees are reimbursed for accumulated sick days equal to the number of unused days multiplied by an amount established by the employment contract. The employees are also offered options regarding retirement payouts as prescribed in the contract if certain conditions are met. The total liability for accrued vacation, sick leave and retirement bonuses has been reflected in the Statement of Net Position.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

Other Lease Obligations

The District leases computers which are located throughout the District. The related lease agreements qualify as capital leases, and accordingly, these transactions are recorded at the present values of related future, minimum lease payments as of the inception date. All lease-purchase obligations are funded by the General Fund.

The assets acquired through capital leases are as follows:

	Amount
Assets	
Computers	\$ 2,083,736
Less accumulated depreciation	(1,308,415)
Total computers - net book value	<u>\$ 775,321</u>

The following is a schedule of the future, minimum lease payments due under the lease-purchase obligations as of June 30, 2021:

Years	Amount
2021-2022	\$ 368,761
2022-2023	230,160
2023-2024	176,400
Total present value of minimum lease payments	<u>\$ 775,321</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Operating Lease Commitments

Copier Equipment

On March 1, 2017, the District entered into a five-year lease agreement with Fraser Advanced Information Systems for the lease of copier equipment. Lease rentals totaling \$25,640 were paid during the year ended June 30, 2021. Future lease obligations under this commitment are \$17,088 through the year ending June 30, 2022.

On September 1, 2014, the District entered into a five-year lease agreement with JGF Funding, LLC for the leasing of copier equipment. Lease rentals totaling \$31,979 were paid during the year ended June 30, 2021. This commitment expired during the year ended June 30, 2021.

Note 11. Defined-Benefit Pension Plan

Plan Description

PSERS (Pennsylvania Public School Employees' Retirement System or the System) is a governmental cost sharing multiple employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Pursuant to Commonwealth Act 2017-5, members hired on or after July 1, 2019, are required to choose one of three new retirement plan design options for retirement benefits. The current defined benefit plan will no longer be available to new members hired on or after July 1, 2019. The new plan design options include two hybrid plans consisting of defined benefit and defined contribution components. The third option is a standalone defined contribution plan. PSERS school employers will be charged interest at the assumed rate of return, currently 7.25%, for delinquent payments to PSERS rather than 6%.

Benefits Provided

PSERS provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least 1 year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes: Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of 3 years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after 10 years of service.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Defined-Benefit Pension Plan (Continued)

Benefits Provided (Continued)

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

Active members who joined the System prior to July 22, 1983, contribute at 5.25% (Membership Class T-C) or at 6.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.50% (Membership Class T-D) of the member's qualifying compensation.

Members who joined the System after June 30, 2001 and before July 1, 2011, contribute at 7.50% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002.

Members who joined the System after June 30, 2011, automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011, who elect Class T-F membership, contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

Employer Contributions:

The District's contractually required contribution rate for the fiscal year ended June 30, 2021, was 34.51% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The 34.51% rate is composed of a contribution rate of 33.69% for pension benefits and .82% for healthcare insurance premium assistance (OPEB benefits).

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Defined-Benefit Pension Plan (Continued)

Contributions (Continued)

The District is required to pay the entire contribution and will be reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one half of the total District's rate. The District's contributions to the Plan, relating to pension benefits, for the year ended June 30, 2021, was \$9,832,087, and is equal to the required contribution for the year. For the year ended June 30, 2021, the District recognized gross retirement subsidy revenue from the Commonwealth in the amount of \$5,018,736.

Pension Liabilities, Pension Expense, Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability of \$102,171,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2019 to June 30, 2020. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2020, the District's proportion was .2075 percent, which was an decrease of .0004 percent from its proportion measured as of June 30, 2019.

For the year-ended June 30, 2021, the District recognized pension expense of \$11,870,320. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 267,000	\$ 2,449,000
Net difference between projected and actual investment earnings	4,490,000	-
Changes in proportion	1,286,000	143,000
Difference between employer contributions and proportionate share of total contributions	89,547	-
Contributions subsequent to the measurement date	9,832,000	-
	<u>\$ 15,964,547</u>	<u>\$ 2,592,000</u>

\$9,832,000 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	Total
2022	\$ 493,547
2023	420,000
2024	1,288,000
2025	1,339,000
	<u>\$ 3,540,547</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Defined-Benefit Pension Plan (Continued)

Actuarial Assumptions

The total pension liability as of June 30, 2020, was determined by rolling forward the System's total pension liability as of June 30, 2019 to June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level% of pay.
- Investment return - 7.25%, includes inflation at 2.75%.
- Salary growth - Effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.
- Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

The actuarial assumptions used in the June 30, 2020 valuation, were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2015.

Investments

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	15.0%	5.2%
Fixed income	36.0%	1.1%
Commodities	8.0%	1.8%
Absolute return	10.0%	2.5%
Risk parity	8.0%	3.3%
Infrastructure/MLPs	6.0%	5.7%
Real estate	10.0%	5.5%
Private equity	15.0%	7.2%
Cash	6.0%	(1.0%)
Financing (LIBOR)	(14.0%)	(0.7%)
	<u>100.0%</u>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2020.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Defined-Benefit Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 7.25%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.25%) or one-percentage-point higher (8.25%) than the current discount rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
District's proportionate share of the net pension liability	\$ 126,407,000	\$ 102,171,000	\$ 81,640,000
<u>Pension Plan Fiduciary Net Position</u>			

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

Plan Payables

At June 30, 2021, the District has payables to the PSERS pension plan of \$3,150,171. This total is composed of staff payroll accruals for retirement contributions.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - District's Single Employer Plan

Plan Description, Benefit Terms and Funding Policy

The District provides retiree health, vision and dental care benefits, including prescription drug coverage, to eligible, retired employees and qualified spouses/beneficiaries. This is a single-employer, defined-benefit plan administered by the District. The District funds OPEB on a pay-as-you go basis, and there is no obligation to make contributions in advance of when insurance premiums or claims are due for payment. The District does not maintain or accumulate any assets within a trust in accordance with paragraph 4 of GASB Statement No. 75. The plan description and benefit terms provided by the plan are summarized in the chart below:

GROUP	ELIGIBILITY	COVERAGE AND PREMIUM SHARING	DURATION
<u>I. ADMINISTRATORS & ACT 93</u>			
A) Retired prior to July 1, 2016	N/A - Already retired	Coverage: Medical, Prescription Drug, Dental and Vision coverage for Retiree and Spouse (if spouse has no other coverage) Premium Sharing: Fully paid by District	Retiree and Spouse coverage is provided until Retiree is eligible for Medicare or until Retiree's death, whichever is earlier.
B) Retire on or after July 1, 2016	Age 57 with 20 years of PSERS service and 5 years of service within DTSD	Coverage: Medical and Prescription Drug coverage for Retiree and Spouse (if spouse has no other coverage) Premium Sharing: Group 1 (Principals, Directors, Assistant Superintendent): The premium sharing for Medical and Prescription Drug coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate Group 2 (Admin Support Staff, Computer Techs): The premium sharing for Medical and Prescription Drug coverage is set at 9% (4.5% if participating in Wellness program) of the previous school year's full COBRA rate.	Same as IA
<u>II. TEACHERS UNION</u>			
	Age 57 with 20 years of PSERS service and 15 years of service within DTSD	Coverage: Medical, Prescription Drug and Vision (Vision coverage is 30+ years of service with DTSD) coverage for Retiree and Spouse (Spousal Coverage Surcharge may apply) Premium Sharing: The premium sharing for Medical and Prescription Drug coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate Vision coverage is fully paid by the District	Same as IA
<u>III. NON PROFESSIONAL UNION</u>			
	Act 110/43	Act 110/43	Coverage is provided until Retiree is eligible for Medicare or until Retiree's death, whichever is earlier. Spouse coverage ends at Spouse Medicare eligibility if earlier than above.

Notes:

Act 110/43 Eligibility: All employees are eligible for this benefit upon retirement with 30 years of PSERS service or upon superannuation retirement.

Act 110/43 Coverage and Premium Sharing: Retired employees are allowed to continue coverage for themselves and their dependents in the employer's group health plan until the retired employee reached Medicare age. In order to obtain coverage, retired employees must provide payment equal to the premium determined for the purpose of COBRA.

PSERS Superannuation Retirement:

1) Pension Class T-C or T-D: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 62 with 5 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 60 with 30 years of PSERS service, age 62 with 1 year of PSERS service of 35 years of PSERS service regardless of age. In general, these pension classes apply to individuals who were members of PSERS prior to July 1, 2011.

2) Pension Class T-E or T-F: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 65 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 65 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 92 with a minimum of 35 years of PSERS service. In general, these pension classes apply to individuals who became members of PSERS on or after July 1, 2011 and prior to July 1, 2019.

3) Pension Class T-G: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 97 with a minimum of 35 years of PSERS service. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.

4) Pension Class T-H: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.

Coordination with Medicare: Plan benefits pay secondary to Medicare

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Employees Covered by Benefit Terms

As of the July 1, 2020 actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	14
Inactive employees entitle to but not yet receiving benefit payments	-
Active employees	409
	<u>423</u>

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2021, the District reported a liability of \$8,089,860 for the total OPEB liability. The total OPEB liability was measured as of July 1, 2020, and was determined by an actuarial valuation as of July 1, 2020. The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	<u>\$ 9,847,485</u>
Changes for the year	
Service cost	723,366
Interest	351,487
Differences between expected and actual experience	(473,399)
Changes in assumptions	(2,156,167)
Estimated benefit payments	(202,912)
Net changes	<u>(1,757,625)</u>
Total OPEB Liability, ending	<u><u>\$ 8,089,860</u></u>

For the year ended June 30, 2021, the District recognized OPEB expense of \$759,849. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,170,008
Changes in assumptions	3,608	2,410,929
Benefit payments subsequent to the measurement date	239,002	-
	<u>\$ 242,610</u>	<u>\$ 3,580,937</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Of the total amount reported as deferred outflows of resources related to OPEB, \$239,002 resulting from District benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year ending June 30:	Total
2022	\$ (315,004)
2023	(315,004)
2024	(315,004)
2025	(315,004)
2026	(315,004)
Thereafter	(2,002,309)
	<u>\$ (3,577,329)</u>

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.5%.
- Salary Increases - 2.5% cost of living adjustment, 1% real wage growth and for teachers and administrators a merit increases which varies by age from 2.75 to 0%.
- Discount Rate - 1.86%. Based on S&P Municipal Bond 20 Year High Grade Rate Index at July 1, 2020.
- Health Care Cost Trend Rate - 5.5% in 2020 through 2023. Rates gradually decrease from 5.4% in 2024, to 4.0% in 2075, and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
- Retirees' Share of Benefit-Related Costs - Retiree contributions are assumed to increase at the same rate as the Health Care Cost Trend Rate.
- Mortality rates are separate and assumed preretirement and postretirement using the rates assumed in the PSERS defined benefit pension plan actuarial valuation. Incorporated into the table are rates projected generationally by the Buck Modified 2016 projection scale to reflect mortality improvement.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the district calculated using the discount rate of 1.86%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (.86%) or one-percentage-higher (2.86%) than the current discount rate:

	1% Decrease 0.86%	Current Discount Rate 1.86%	1% Increase 2.86%
Total OPEB liability	\$ 8,670,431	\$ 8,089,860	\$ 7,532,027

The discount rate used to measure the total OPEB liability decreased from 3.36% as of July 1, 2019, to 1.86% as of July 1, 2020.

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the district calculated using the health care cost trend rates of (5.5% decreasing to 4.0%), as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 7,148,328	\$ 8,089,860	\$ 9,200,535

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan

System Administration

The administrative staff of the Pennsylvania Public School Employees' Retirement System (PSERS or the System) administers a defined benefit pension plan, and two post-employment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP) for its retirees. The System is a governmental cost sharing, multiple employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania (Commonwealth). The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. The HOP is a PSERS sponsored voluntary health insurance program for the sole benefit of PSERS retirees, spouses of retirees and survivor annuitants and their dependents who participate in HOP. The HOP is funded exclusively by the premiums paid by its participants for the benefit coverage they elect.

The control and management of the System, including the investment of its assets is vested in the Board of Trustees (Board). The Commonwealth's General Assembly has the authority to amend the benefit terms of the System by passing bills in the Senate and House of Representatives and sending them to the Governor for approval.

Plan Description and Benefits Provided - Health Insurance Premium Assistance Program

The System provides Premium Assistance which, is a governmental cost sharing, multiple employer other post-employment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002, under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2020, there were no assumed future benefit increases to participating eligible retirees.

Premium Assistance Eligibility Criteria

Retirees of the System can participate in the Premium Assistance program if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Employer Contributions

The District's contractually required contribution rate for the fiscal year ended June 30, 2021, was 0.82% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$239,309 for the year ended June 30, 2021.

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2021, the District reported a liability of \$4,490,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2019 to June 30, 2020. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one year reported covered payroll. At June 30, 2020, the District's proportion was .2078 percent, which was a decrease of .0001 percent from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of \$253,100. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Outflows of Resources	Inflows of Resources
Difference between expected and actual experience	\$ 41,000	\$ -
Changes in assumptions	183,000	99,000
Net difference between projected and actual investment earnings	8,000	-
Changes in proportion	113,000	2,000
Difference between employer contributions and proportionate share of total contributions	8,900	-
Contributions subsequent to the measurement date	240,000	-
	<u>\$ 593,900</u>	<u>\$ 101,000</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

\$240,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	Amount
2022	\$ 46,600
2023	45,600
2024	44,600
2025	68,100
2026	36,000
Thereafter	12,000
	<u>\$ 252,900</u>

Actuarial Assumptions

The Total OPEB Liability as of June 30, 2020, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2019 to June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 2.79% - S&P 20 Year Municipal Bond Rate.
- Salary growth - Effective average of 5.00%, comprised of inflation of 2.75% and 2.25% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on the RP-2014 Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.
- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%
 - Eligible retirees will elect to participate Post age 65 at 70%

The actuarial assumptions used in the June 30, 2019 valuation, were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2015.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Actuarial Assumptions (Continued)

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2018, determined the employer contribution rate for fiscal year 2020.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality rates and retirement ages were based on the RP-2000 Combined Healthy Annuitant Tables with age set back 3 for both males and females for healthy annuitants and for dependent beneficiaries. For disabled annuitants, the RP-2000 Combined Disabled Tables with age set back 7 years for males and 3 years for females for disabled annuitants. (A unisex table based on the RP-2000 Combined Healthy Annuitant Tables with age set back 3 years for both genders assuming the population consists of 25% males and 75% females is used to determine actuarial equivalent benefits.)

Investments

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	50.3%	(1.0%)
U.S. Core Fixed Income	46.5%	(0.1%)
Non-U.S. Developed Fixed	3.2%	(0.1%)
	<u>100.0%</u>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class of June 30, 2020.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Discount Rate

The discount rate used to measure the Total OPEB Liability was 2.66%. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 2.66% which represents the S&P 20 year Municipal Bond Rate at June 30, 2020, was applied to all projected benefit payments to measure the total OPEB liability.

Change in Actuarial Assumptions

The discount rate used to measure the total OPEB liability decreased from 2.79% as of June 30, 2019, to 2.66% as of June 30, 2020.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability, calculated using the discount rate of 2.66%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (1.66%) or one-percentage-point higher (3.66%) than the current discount rate:

	1% Decrease 1.66%	Current Discount Rate 2.66%	1% Increase 3.66%
District's proportionate share of the net OPEB liability	\$ 5,119,000	\$ 4,490,000	\$ 3,969,000

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 13. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates (between 5% to 7.75%) that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 4,489,000	\$ 4,490,000	\$ 4,490,000

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

Plan Payables

At June 30, 2021, the District has payables to the OPEB plan of \$76,674.

Note 14. Commitments

Lease Buyout Commitments

On November 1, 2015, the District terminated its Master Lease Agreement (including all amendments) dated April 17, 2001, with Room One Corporation (ROC). The District paid a termination price in the amount of \$1,629,000 to ROC to assume all ROC's rights, duties and obligations under the Master Lease and all subleases and sub-subleases. The termination price of \$1,629,000 was fully amortized as of June 30, 2018.

Future payments to ROC will be dependent upon the Lease Agreement with the Milton S. Hershey Medical Center (Hershey Lease). The Hershey Lease requires the District to pay to ROC one half of the Base Rent described in the Hershey Lease until October 31, 2021. These financial statements have reflected these payments to ROC as reduced rental income in the Granada Project Fund.

Note 15. Act 93 Employee Annuity

The District provides all Act 93 employees with a tax sheltered annuity. The District provides a \$0.50 contribution to each \$1.00 of employee contribution, up to a maximum District contribution of \$2,500. The District contributed \$37,600 to the plan for the year ended June 30, 2021.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 16. Risk Management

The policy of the District is to not purchase health and vision insurance for the risks of losses to which it is exposed. Instead, the District's management policy is that it is more economical to manage its risks internally. The District pays all claims for risk of loss which the District is exposed, including medical, dental, drug and vision claims, which are administered by third parties. The District has purchased stop loss insurance from commercial insurers that will reimburse the District for 100% of all medical claims over \$170,000 per year per participant with exceptions. The District will also receive a stop loss reimbursement of 100% for all medical claims which exceed \$6,846,471 in the aggregate for the year.

Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Because of delays between the time a claim is incurred, and it is reported to the District for payment, the estimated liability does not necessarily result in an exact amount. A current net liability has been included in accrued salaries and benefits of the General Fund for claims reported but not paid by June 30, 2021, plus accrued teachers summer benefits, which both amount to \$328,313. The current year's asset is due to stop loss reimbursements in excess of incurred but not reported claim amounts at year-end. Changes in the District's claims liability (asset) amount for the year ended June 30, 2021, were:

	Amount
Liability (Asset) - beginning of year	\$ (63,294)
Current year claims and changes in estimates	5,878,244
Less - claim payments	(5,486,637)
Liability (Asset) - end of year	<u><u>\$ 328,313</u></u>

The District continues to carry commercial insurance for all other risks of loss, including workers compensation, liability and property and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

COVID-19 Pandemic

Recent developments arising from the coronavirus pandemic and efforts to mitigate the disease's domestic and global impacts have impacted the operations and finances of school districts. Changes in service approach, labor and personnel changes, facility closings, contracted service disruptions, personal protective equipment purchases, and technological equipment acquisitions have affected all school districts. Unstable conditions enhance school district's risk factors as they have significant reliance on revenues from taxpayers and governmental agencies to fund their operations. These factors impact revenue recognition, cash flows and liquidity, and contingencies. Presently, the ultimate, effects of this crisis on financial position, results of operations and cash flows are indeterminable because the duration of the crisis is also indeterminable; however, management continues to monitor developments.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 17. Contingent Liabilities

The District is subject to real estate tax assessment appeals on an ongoing basis. If tax appeals are successful, the result is a loss of tax revenue to the District. It is anticipated that any material loss of tax revenue on individual tax appeals will be offset with additional revenues from other properties or other sources of revenue and would not create a financial hardship to the District.

The District is involved in various lawsuits in the normal course of operations. Management cannot predict the outcome of the lawsuits or estimate the amount of any loss that may result. Accordingly, no provision for any contingent liabilities that may result have been made in the financial statements. Management believes that losses resulting from these matters, if any, would be covered under the District's professional liability insurance policy and would not have a material effect on the financial position of the District.

The District participates in numerous State and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

Note 18. Subsequent Events

Gymnasium Facility Joint Management Agreement Termination

On July 26, 2021, the District entered into an agreement with Derry Township to terminate the existing agreement surrounding the Township's management and use of the gymnasium that is a portion of the Milton S. Hershey Middle School Complex that is owned by the District. Termination of the agreement resulted in a total payment of \$23,426 to be paid by the Township to the District for the remaining of the outstanding note receivable of \$210,043 that was established as part of the original agreement less \$186,617, which was the amount the District owed the Township and its police department for use of a School Resource Officer.

REQUIRED SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF
DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Year Ended June 30,**

	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.2075%	0.2079%	0.2057%	0.2010%	0.1986%	0.1945%	0.1941%
District's proportionate share of the net pension liability	<u>\$ 102,171,000</u>	<u>\$ 97,261,000</u>	<u>\$ 98,746,000</u>	<u>\$ 99,271,000</u>	<u>\$ 98,420,000</u>	<u>\$ 84,248,000</u>	<u>\$ 76,826,271</u>
District's covered payroll	<u>\$ 29,160,738</u>	<u>\$ 28,675,998</u>	<u>\$ 27,704,050</u>	<u>\$ 26,765,017</u>	<u>\$ 25,724,950</u>	<u>\$ 25,960,380</u>	<u>\$ 25,071,493</u>
District's proportionate share of net pension liability as a percentage of its covered payroll	350.37%	339.17%	356.43%	370.90%	382.59%	324.53%	306.43%
Plan fiduciary net position as a percentage of the total pension liability	54.32%	55.66%	54.00%	51.84%	50.14%	54.36%	57.24%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF
DISTRICT'S PENSION CONTRIBUTIONS**

Year Ended June 30,

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 9,832,087	\$ 9,732,247	\$ 9,341,769	\$ 8,807,160	\$ 7,827,296	\$ 6,490,095	\$ 5,139,656	\$ 4,142,852	\$ 2,909,242	\$ 2,094,002
Contributions in relation to the contractually required contribution	(9,832,087)	(9,732,247)	(9,341,769)	(8,807,160)	(7,827,296)	(6,490,095)	(5,139,656)	(4,142,852)	(2,909,242)	(2,094,002)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	<u>\$ 29,192,061</u>	<u>\$ 29,282,177</u>	<u>\$ 28,770,520</u>	<u>\$ 27,758,265</u>	<u>\$ 25,724,950</u>	<u>\$ 25,960,380</u>	<u>\$ 25,071,493</u>	<u>\$ 25,892,825</u>	<u>\$ 25,297,757</u>	<u>\$ 26,175,025</u>
Contributions as a percentage of covered payroll	33.68%	33.24%	32.47%	31.73%	30.43%	25.00%	20.50%	16.00%	11.50%	8.00%

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS -
DISTRICT'S SINGLE EMPLOYER PLAN**

Year Ended June 30,

	2021	2020	2019	2018
Total OPEB liability				
Service cost	\$ 723,366	\$ 725,598	\$ 733,487	\$ 740,774
Interest	351,487	296,918	319,081	246,678
Differences between expected and actual experience	(473,399)	-	(952,930)	-
Changes in assumptions	(2,156,167)	(295,392)	4,691	(238,941)
Benefit payments	(202,912)	(256,866)	(410,001)	(505,336)
Net change in total OPEB liability	(1,757,625)	470,258	(305,672)	243,175
Total OPEB Liability - beginning	9,847,485	9,377,227	9,682,899	9,439,724
Total OPEB Liability - ending	\$ 8,089,860	\$ 9,847,485	\$ 9,377,227	\$ 9,682,899
District's covered payroll	\$ 26,015,946	\$ 24,914,381	\$ 24,914,381	\$ 24,053,671
Total OPEB Liability as a percentage of covered payroll	31.10%	39.53%	37.64%	40.26%

Notes to Schedule:

Changes in assumptions: The discount rate changed from 3.36% to 1.86%. The trend assumption was updated. The percentage of eligible retirees electing coverage changed from 80% to 50% for Teachers.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY -
PSERS COST SHARING PLAN
Year Ended June 30,**

	2021	2020	2019	2018
District's proportion of the net OPEB liability	0.2078%	0.2079%	0.2057%	0.2010%
District's proportionate share of the net OPEB liability	<u>\$ 4,490,000</u>	<u>\$ 4,422,000</u>	<u>\$ 4,289,000</u>	<u>\$ 4,095,000</u>
District's covered payroll	<u>\$ 29,160,738</u>	<u>\$ 28,675,998</u>	<u>\$ 27,704,050</u>	<u>\$ 26,765,017</u>
District's proportionate share of net OPEB liability as a percentage of its covered payroll	15.40%	15.42%	15.48%	15.30%
Plan fiduciary net position as a percentage of the total OPEB liability	5.69%	5.56%	5.56%	5.73%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF DISTRICT'S OPEB CONTRIBUTIONS - PSERS COST SHARING PLAN
Year Ended June 30,**

	2021	2020	2019	2018
Contractually required contribution	\$ 239,309	\$ 244,397	\$ 237,843	\$ 230,307
Contributions in relation to the contractually required contribution	(239,309)	(244,397)	(237,843)	(230,307)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	<u>\$ 29,192,061</u>	<u>\$ 29,282,177</u>	<u>\$ 28,770,520</u>	<u>\$ 27,758,265</u>
Contributions as a percentage of covered payroll	0.82%	0.83%	0.83%	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT**COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS****June 30, 2021**

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Assets			
Cash and cash equivalents	\$ 1,791,395	\$ 4,277,534	\$ 6,068,929
Due from other funds	1,340,000	-	1,340,000
Total assets	\$ 3,131,395	\$ 4,277,534	\$ 7,408,929
Liabilities			
Accounts payable	\$ -	\$ 44,118	\$ 44,118
Due to other funds	-	1,342,138	1,342,138
Total liabilities	-	1,386,256	1,386,256
Fund Balances			
Restricted	3,131,395	2,891,278	6,022,673
Total fund balances	3,131,395	2,891,278	6,022,673
Total liabilities and fund balances	\$ 3,131,395	\$ 4,277,534	\$ 7,408,929

DERRY TOWNSHIP SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS

Year Ended June 30, 2021

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Revenues			
Local sources	\$ 5,007	\$ 7,962	\$ 12,969
Total revenues	<u>5,007</u>	<u>7,962</u>	<u>12,969</u>
Expenditures			
Support services	20	2,091,631	2,091,651
Total expenditures	<u>20</u>	<u>2,091,631</u>	<u>2,091,651</u>
Net changes in fund balances	4,987	(2,083,669)	(2,078,682)
Fund Balances - July 1, 2020	3,126,408	4,974,947	8,101,355
Fund Balances - June 30, 2021	<u>\$ 3,131,395</u>	<u>\$ 2,891,278</u>	<u>\$ 6,022,673</u>

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Derry Township School District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise Derry Township School District's basic financial statements, and have issued our report thereon dated December 14, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Derry Township School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Derry Township School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Derry Township School District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Derry Township School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink, reading "Boyer & Fitter". The signature is written in a cursive style with a large, sweeping initial 'B' and a long, trailing flourish at the end.

Camp Hill, Pennsylvania
December 14, 2021

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on Compliance for Each Major Federal Program

We have audited Derry Township School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Derry Township School District's major federal programs for the year ended June 30, 2021. Derry Township School District's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal statutes, regulations and the terms and conditions of its Federal awards applicable to its Federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Derry Township School District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Derry Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our opinion on compliance for each major Federal program. However, our audit does not provide a legal determination of Derry Township School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Derry Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, reading "Boyer & Ritter". The signature is written in a cursive, flowing style with a large, sweeping loop at the end.

Camp Hill, Pennsylvania
December 14, 2021

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended 2021

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? ☐ Yes ☒ No
- Significant deficiency (ies) identified that is not considered to be a material weakness (es)? ☐ Yes ☒ None Reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? ☐ Yes ☒ No
- Significant deficiency (ies) identified that is not considered to be a material weakness (es)? ☐ Yes ☒ None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)3? ☐ Yes ☒ No

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

Identification of the major programs:

CFDA Number(s)	Name of Federal Programs/Cluster
	Child Nutrition Cluster
10.553	School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to distinguish between
type A and type B programs \$750,000

Auditee qualified as low-risk auditee? X Yes No

Section II -- Financial Statement Findings

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the financial statement audit required to be reported.

B. Compliance Findings

There were no compliance findings relating to the financial statement audit required to be reported.

Section III -- Federal Award Findings and Questioned Costs

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

B. Compliance Findings

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2020	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2021	Provided to Subrecipients
U.S. Department of Education										
Passed through the Pennsylvania Department of Education										
Title I - Grants to Local Educational Agencies	84.010	013-20-0118	19-20	\$ 580,848	\$ (56)	\$ (56)	\$ -	\$ -	\$ -	\$ -
Title I - Grants to Local Educational Agencies	84.010	013-21-0118	20-21	\$ 587,387	587,387	-	587,387	587,387	-	-
					587,331	(56)	587,387	587,387	-	-
Title II - Supporting Effective Instruction State Grants	84.367	020-20-0118	19-20	\$ 115,594	8,490	8,490	-	-	-	-
Title II - Supporting Effective Instruction State Grants	84.367	020-21-0118	20-21	\$ 123,707	125,148	-	123,707	123,707	(1,441)	-
					133,638	8,490	123,707	123,707	(1,441)	-
Title IV - Student Support and Academic Enrichment Program	84.424	144-20-0118	19-20	\$ 50,267	10,771	10,771	-	-	-	-
Title IV - Student Support and Academic Enrichment Program	84.424	144-21-0118	20-21	\$ 44,051	44,051	-	44,051	44,051	-	-
					54,822	10,771	44,051	44,051	-	-
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	FA-200-20-0118	20-21	\$ 477,076	477,076	-	477,076	477,076	-	-
COVID-19 - Impact Mitigation Grant (SECIM)	84.027	FA-252-20-0118	20-21	\$ 18,550	6,183	-	6,183	6,183	-	-
Total passed through the Pennsylvania Department of Education					1,259,050	19,205	1,238,404	1,238,404	(1,441)	-
Passed through the Pennsylvania Commission on Crime & Delinquency										
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	2020-ES-01-35307	20-21	\$ 108,186	-	-	108,186	108,186	108,186	-
Total passed through the Pennsylvania Commission on Crime & Delinquency					-	-	108,186	108,186	108,186	-
Passed through the Capital Area Intermediate Unit										
Special Education Cluster (IDEA)										
Special Education Grants to States	84.027	062-190015	19-20	\$ 386,179	386,179	386,179	-	-	-	-
Special Education Grants to States	84.027	062-200015	20-21	\$ 400,454	-	-	400,454	400,454	400,454	-
					386,179	386,179	400,454	400,454	400,454	-
Special Education Preschool Grants	84.173	131-200015	19-20	\$ 4,000	4,000	4,000	-	-	-	-
Special Education Preschool Grants	84.173	131-200015	20-21	\$ 3,136	-	-	3,136	3,136	3,136	-
					4,000	4,000	3,136	3,136	3,136	-
Total Special Education Cluster passed through the Capital Area Intermediate Unit					390,179	390,179	403,590	403,590	403,590	-
Total U.S. Department of Education					1,649,229	409,384	1,750,180	1,750,180	510,335	-

(Continued)

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2021

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2020	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2021	Provided to Subrecipients
U.S. Department of Health and Human Services										
Passed through the Pennsylvania Department of Public Welfare										
Medicaid Cluster										
Medical Assistance Program: Title XIX	93.778	N/A	18-19	N/A	10,748	-	10,748	10,748	-	-
Total Medicaid Cluster					10,748	-	10,748	10,748	-	-
Total U.S. Department of Health and Human Services					10,748	-	10,748	10,748	-	-
U.S. Department of Agriculture										
Passed through the Pennsylvania Department of Education										
School Breakfast Program	10.553	N/A	19-20	N/A	6,540	6,540	-	-	-	-
School Breakfast Program	10.553	N/A	20-21	N/A	128,809	-	150,820	150,820	22,011	-
					135,349	6,540	150,820	150,820	22,011	-
National School Lunch Program	10.555	N/A	19-20	N/A	12,368	12,368	-	-	-	-
National School Lunch Program	10.555	N/A	20-21	N/A	305,615	-	364,717	364,717	59,102	-
					317,983	12,368	364,717	364,717	59,102	-
Total passed through the Pennsylvania Department of Education					453,332	18,908	515,537	515,537	81,113	-
Passed through the Pennsylvania Department of Agriculture										
National School Lunch Program - Food Donations	10.555	N/A	19-20	N/A	44,244 (a)	(11,901) (b)	44,244	21,817 (c)	(34,328) (d)	-
Total U.S. Department of Agriculture					497,576	7,007	559,781	537,354	46,785	-
U.S. Department of Treasury										
Passed through the Pennsylvania Commission on Crime & Delinquency										
COVID-19 - Coronavirus Relief Fund	21.019	2020-CS-01-34042	20-21	\$ 250,338	250,338	-	250,338	250,338	-	-
Total U.S. Department of Treasury					250,338	-	250,338	250,338	-	-
Total Expenditures of Federal Awards					\$ 2,407,891	\$ 416,391	\$ 2,571,047	\$ 2,548,620	\$ 557,120	\$ -
Child Nutrition Cluster (Assistance Listing Numbers - 10.553 and 10.555)					\$ 497,576	\$ 7,007	\$ 559,781	\$ 537,354	\$ 46,785	\$ -
Special Education Cluster (Assistance Listing Numbers - 84.027 and 84.173)					\$ 396,362	\$ 390,179	\$ 409,773	\$ 409,773	\$ 403,590	\$ -
Education Stabilization Fund (Assistance Listing Numbers - 84.425)					\$ 477,076	\$ -	\$ 585,262	\$ 585,262	\$ 108,186	\$ -

See Notes to Schedule of Expenditures of Federal Awards.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal award activity of the District's under programs of the Federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the District's operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2. Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue is recognized when earned, and expenses are recognized when incurred. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The District has not elected to use the 10% de Minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Access Program

The ACCESS Program is a medical assistance program that reimburses local education agencies for direct, eligible health-related services provided to enrolled special needs students. ACCESS reimbursements are federal monies but are classified as fee-for-service revenues and are not considered federal financial assistance and are not included on the Schedule. The amount of ACCESS funding expended, but not included on the Schedule, for the year ended June 30, 2021, was \$378,487.

DERRY TOWNSHIP SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
Year Ended June 30, 2021

There were no prior year's audit findings.

**DERRY TOWNSHIP
SCHOOL DISTRICT**

FINANCIAL REPORT

JUNE 30, 2022

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INDEPENDENT AUDITOR'S REPORT

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Derry Township School District (District) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As disclosed in Note 1 to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*, as of July 1, 2021. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about 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 Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 statements.

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 statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 statements.
- 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.

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the Contents and 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* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the Contents and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, in considering District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Boyer & Fitter". The signature is written in black ink and is positioned centrally on the page.

Camp Hill, Pennsylvania
February 10, 2023

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2022

The *Management Discussion and Analysis* (MD&A) provides an overall review and insight into the District's financial activities for the fiscal years ended June 30, 2022 and 2021. This MD&A summarizes the district's financial performance as a whole. Therefore, the reader should also review the entire financial statements, including the Notes to Financial Statements, as well as the independent auditor's transmittal letter, to enhance their understanding of the district's financial performance.

Background

The Management Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) Statement No. 34. Certain condensed comparative analyses of financial statements have been presented in these statements.

Pre-GASB No. 34 standards required use of the modified accrual system of accounting for revenues (no receivables/accruals beyond 60 days). In addition, pre-GASB No. 34 standards also did not record depreciation expense on capital assets and did not require reporting of net assets of various funds. GASB No. 34 now requires full accrual of revenue and calculating depreciation on capital assets.

Financial Highlights

In accordance with GASB Statement No. 54, the District has recorded as a Permanent Fund the fair market value of assets held in trust by Fulton Financial Advisors under a bequest made by Milton S. Hershey. As of 2022 and 2021, the value of this fund was \$45,488,795 and \$54,012,098, respectively. The fund balance is classified as "Nonspendable" due to the restrictive nature of the trust since the District has use of income only.

Also in accordance with GASB 54, the Board of School Directors adopted Policy 620, Fund Balance. This policy classifies the General Fund Balance based on the relative strength of constraints that control the purposes for which specific amounts can be spent. Effective June 30, 2012, fund balances are now reported in the following classifications:

Nonspendable	Amounts that cannot be spent because they are in a nonspendable form (such as inventory and notes receivable).
Restricted	Amounts limited by external parties (grants or donations).
Committed	Amounts limited by Board policy (future anticipated costs).
Assigned	Amounts intended for a particular purpose.
Unassigned	Amounts available for consumption or not restricted in any manner.

Board Policy 625 and 625.1 limit amounts that may be accumulated in the General Fund. Policy 625, Maintenance of Fund Balance, provides that the District shall maintain an unassigned General Fund Balance of not less than 3% of expenditures, and not more than the amount allowed by the Commonwealth of Pennsylvania, currently 8% of budgeted expenditures. Policy 625.1 established a Capital Reserve Fund to support the District's approved Capital Maintenance/Growth Plan, to which funds in excess of the amount determined under Policy 625 is transferred. In accordance with these policies, no unbudgeted transfer occurred as of June 30, 2022, or as of June 30, 2021.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year Ended June 30, 2022**

The accompanying Fund Balance Review, on page 5, summarizes General Fund activity for the current and prior year. Total Fund Balance increased by \$2,921,308 and decreased \$1,225,937 for the years ended June 30, 2022 and 2021, respectively, after transfers in accordance with Policy 625 noted above.

The District has committed a portion of the General Fund Balance for future state retirement costs, for the District's self-insured medical plan and for future capital plans. The committed portion of the General Fund Balance for future retirement costs and for the District's self-insured medical plan is \$2,100,000 and \$500,000, for year ended June 30, 2022, respectively and \$2,384,692 and \$500,000 for year ended June 30, 2021, respectively. The committed portion of the General Fund Balance for future capital plans for the year ended June 30, 2022 is \$3,000,000.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
FUND BALANCE REVIEW

	Nonspendable Inventory and Prepays	Nonspendable Note Receivable	Committed Retirement Stabilization	Committed Health Benefits	Committed Capital Planning	Unassigned General	Total General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Nonspendable Permanent Fund
Fund Balance - 6/30/2020	\$ 167,260	\$ 202,881	\$ 884,692	\$ 2,000,000	\$ -	\$ 5,916,187	\$ 9,171,020	\$ 8,101,355	\$ -	\$ 43,724,356
2020-2021 Activity										
Increase (Decrease)	(19,230)	(179,455)	(384,692)	384,692	-	(1,027,252)	(1,225,937)	(2,078,682)	193,459	10,287,742
Fund Balance - 6/30/21	148,030	23,426	500,000	2,384,692	-	4,888,935	7,945,083	6,022,673	193,459	54,012,098
2021-2022 Activity										
Increase (Decrease)	108,719	(23,426)	-	(284,692)	3,000,000	120,707	2,921,308	671,477	(996)	(8,523,303)
Fund Balance - 6/30/22	\$ 256,749	\$ -	\$ 500,000	\$ 2,100,000	\$ 3,000,000	\$ 5,009,642	\$ 10,866,391	\$ 6,694,150	\$ 192,463	\$ 45,488,795

2021-2022 revenues from all sources, local, state, federal and other exceeded budgeted revenues by \$3,995,476, or about 5.95%. Although it was unknown how the COVID-19 pandemic would affect the 2021-2022 school year, the local Derry Township economy rebounded more quickly than had been anticipated. The most significant increase was in local revenues which surpassed the budgeted revenues by more than \$2.9 million. Collections of current Real Estate Taxes, Earned Income Taxes, Transfer Tax and Amusement Taxes were the most significant revenues collected greater than budget.

2021-2022 actual expenditures exceeded budgeted expenditures by \$1,959,367. Actual expenditures were greater than budgeted due to the unknown expenses needed to educate students following the COVID-19 Pandemic in order to support the return to in-person learning. Expenses in Plant Operations & Maintenance exceeded budget by more than \$900 thousand. These expenses were necessary to provide necessary PPE for staff and student safety, as well as the need to address normal building repairs and maintenance that had been delayed due to the Pandemic.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021

Annual Financial Report

The governmental statements consist of the Statement of Net Assets and the Statement of Activities. These governmental statements combine governmental activities with business-type activities. The governmental activities include most of the District's programs and operations such as instruction, support services, plant operation and maintenance, pupil transportation and extracurricular activities. The business activities include services provided on a charge basis to recover the expenses of the services provided. The food service enterprise fund is reported as a business-type activity.

The Statement of Net Assets is a government-wide statement that summarizes the District's assets and liabilities in their entirety. It includes capital assets, net of a provision for accumulated depreciation, as well as long-term debt (mainly bonds payable).

The Statement of Activities is a government-wide statement that summarizes expenditures among the eight largest functions, as well as each program's net cost (total cost less subsidies, revenues generated by the activity, unrestricted grants and contributions by other organizations). It includes depreciation expense not previously recorded, and interest expense previously reported only in the debt service fund. The Governmental Funds Balance Sheet includes only assets expected to be used or consumed, and liabilities which will be due during the next year. Neither capital assets nor long-term debt are included. Note 1B to the Financial Statements explains the financial statements presentation in detail.

Fund Financial Statements

The Fund Statements present financial information in greater detail than the District-wide statements. Major funds are reported in separate columns, while non-major funds are aggregated and presented in a single column.

Governmental Funds are used to report most of the District's activities and focus on the flow of cash and other assets to and from the funds, and the remaining fund balances at the end of the fiscal year, which are available to be used in future periods. The governmental funds use the modified accrual method of accounting that measures cash and assets that can be readily converted to cash. The governmental funds provide a detailed short-term view of the District's operations and the services it provides. Governmental fund information helps the reader determine if there are greater or less financial resources that can be spent in the near future to finance the District's programs. The relationship (or differences) between governmental activities reported in the Statement of Net Assets and the Statement of Activities and governmental funds is reconciled in the financial statements.

Proprietary Funds are used to report District activities that are similar to business operations in the private sector. The Food Service Fund and the Granada Project Fund are the District's proprietary funds. Proprietary funds use the accrual method of accounting; therefore, proprietary fund reports will match, in all essential respects, the business-type activities portion of the government-wide statements.

Permanent Funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, are used to support school programs. The District is a beneficiary under the will of Milton S. Hershey and receives quarterly income distributions calculated annually at approximately 5% of the March 31st market value, in accordance with procedures established by the Pennsylvania Attorney General. The distributions support the overall academic programs of the District.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021

Fiduciary Funds are those funds that the District is the trustee, or fiduciary. Donations or bequests designated for scholarships are the primary fiduciary funds. Donors specify how the funds may be used. Since the funds may not be used for any other purpose, they are excluded from other District funds because the District is prohibited from using these funds to finance any other activities. The District's fiduciary activities are reported in separate Statements of Fiduciary Net Position.

The analysis of the District's major funds provides detailed information about the most significant funds - not the District as a whole. Some funds are required by state statute, while other funds are established by the District to help manage money for particular purposes and compliance with various grant provisions. The District's four types of funds: governmental, proprietary, permanent and fiduciary, use different accounting approaches as further described in the notes to the financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
STATEMENT OF NET POSITION

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Assets and Deferred Outflows						
Current and other assets	\$ 71,962,274	\$ 1,735,495	\$ 73,697,769	\$ 75,895,655	\$ 1,266,939	\$ 77,162,594
Capital assets	69,362,350	343,488	69,705,838	73,555,725	268,677	73,824,402
Deferred outflow of resources	15,642,971	315,954	15,958,925	16,679,428	336,043	17,015,471
Total assets and deferred outflows	<u>\$ 156,967,595</u>	<u>\$ 2,394,937</u>	<u>\$ 159,362,532</u>	<u>\$ 166,130,808</u>	<u>\$ 1,871,659</u>	<u>\$ 168,002,467</u>
Liabilities and Deferred Inflows						
Current liabilities	\$ 12,431,699	\$ (173,713)	\$ 12,257,986	\$ 11,205,999	\$ 80,353	\$ 11,286,352
Non-current liabilities	116,019,535	1,983,983	118,003,518	136,116,686	2,321,897	138,438,583
Deferred inflows of resources	18,523,088	378,102	18,901,190	6,148,318	125,619	6,273,937
Total liabilities and deferred inflows	<u>\$ 146,974,322</u>	<u>\$ 2,188,372</u>	<u>\$ 149,162,694</u>	<u>\$ 153,471,003</u>	<u>\$ 2,527,869</u>	<u>\$ 155,998,872</u>
Net Position						
Net investment in capital assets	\$ 50,268,183	\$ 343,488	\$ 50,611,671	\$ 51,515,249	\$ 268,677	\$ 51,783,926
Restricted	49,240,997	-	49,240,997	57,096,835	-	57,096,835
Unrestricted	(89,515,907)	(136,923)	(89,652,830)	(95,952,279)	(924,887)	(96,877,166)
Total net position	<u>\$ 9,993,273</u>	<u>\$ 206,565</u>	<u>\$ 10,199,838</u>	<u>\$ 12,659,805</u>	<u>\$ (656,210)</u>	<u>\$ 12,003,595</u>

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT AND DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
STATEMENT OF ACTIVITIES

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Revenues:						
Program Revenues:						
Charges for services and sales	\$ 698,960	\$ 864,846	\$ 1,563,806	\$ 423,956	\$ 890,163	\$ 1,314,119
Operating grants and contributions	15,626,739	2,002,159	17,628,898	14,017,429	642,106	14,659,535
Total program revenues:	16,325,699	2,867,005	19,192,704	14,441,385	1,532,269	15,973,654
General Revenues, Transfers and Special Item:						
Property taxes	39,178,400	-	39,178,400	38,251,573	-	38,251,573
Act 511 taxes	11,228,694	-	11,228,694	9,376,433	-	9,376,433
State property tax relief	672,468	-	672,468	674,204	-	674,204
Investment earnings	(5,417,066)	2,024	(5,415,042)	11,994,130	1,473	11,995,603
Miscellaneous	244,325	-	244,325	186,715	-	186,715
Gain on disposal of fixed assets	(309,566)	-	(309,566)	-	-	-
Capital contributions	-	-	-	-	-	-
Transfers	(303,242)	303,242	-	(413,401)	413,401	-
Total general revenues, transfers and special item	45,294,013	305,266	45,599,279	60,069,654	414,874	60,484,528
Total revenues	61,619,712	3,172,271	64,791,983	74,511,039	1,947,143	76,458,182
Expenses						
Program Expenses:						
Instruction	39,346,241	-	39,346,241	42,176,953	-	42,176,953
Instructional student support	6,190,280	-	6,190,280	6,486,845	-	6,486,845
Administrative and financial support services	6,541,062	-	6,541,062	7,455,920	-	7,455,920
Operation and maintenance of plant services	6,546,815	-	6,546,815	7,736,315	-	7,736,315
Pupil transportation	3,274,212	-	3,274,212	2,920,371	-	2,920,371
Student activities	1,900,713	-	1,900,713	1,935,760	-	1,935,760
Community services	11,659	-	11,659	19,353	-	19,353
Food service	-	1,831,234	1,831,234	-	1,107,392	1,107,392
Granada project	-	478,262	478,262	-	540,426	540,426
Total program expenses	63,810,982	2,309,496	66,120,478	68,731,517	1,647,818	70,379,335
Interest and Fiscal Charges	475,262	-	475,262	709,919	-	709,919
Total expenses	64,286,244	2,309,496	66,595,740	69,441,436	1,647,818	71,089,254
(Decrease) increase in net position	(2,666,532)	862,775	(1,803,757)	5,069,603	299,325	5,368,928
Net position (deficit) - beginning	12,659,805	(656,210)	12,003,595	7,360,685	(955,535)	6,405,150
Prior period adjustment	-	-	-	229,517	-	229,517
Net position (deficit) - beginning (as restated)	12,659,805	(656,210)	12,003,595	7,590,202	(955,535)	6,634,667
Net position (deficit) - ending	\$ 9,993,273	\$ 206,565	\$ 10,199,838	\$ 12,659,805	\$ (656,210)	\$ 12,003,595

District Budget

The District's budget is prepared in accordance with Pennsylvania law and is based on accounting for certain transactions based on cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. The budgeting system controls expenses by classifying expenses by functional areas and by type of expense. A summary of budget to actual results for 2021-2022, is shown in the review below:

FISCAL YEAR ENDED JUNE 30, 2022 GENERAL FUND SPENDING REVIEW

	Budgeted Amounts			Variance with
	Original Budget	Final Budget	Actual Amounts	Final Budget Pos (Neg)
REVENUES				
6000 Local Sources	\$ 48,658,335	\$ 48,658,335	\$ 51,583,136	\$ 2,924,801
7000 State Sources	12,308,567	12,308,567	12,647,977	339,410
8000 Federal Sources	3,093,775	3,093,775	3,256,186	162,411
9000 Other Financing Sources	3,097,542	3,097,542	3,666,396	568,854
Total Revenues	67,158,219	67,158,219	71,153,695	3,995,476
EXPENDITURES				
1100 Regular Programs	28,215,209	28,215,209	28,438,260	(223,051)
1200 Special Programs	8,303,669	8,303,669	8,684,611	(380,942)
1300 Vocational Programs	1,495,811	1,495,811	1,424,838	70,973
1400 Other Instructional Programs	134,870	134,870	138,726	(3,856)
1700 Community College	135,944	135,944	135,944	-
2100 Pupil Personnel	2,093,517	2,093,517	2,181,634	(88,117)
2200 Instructional Staff Services	2,706,494	2,706,494	2,737,480	(30,986)
2300 Administrative Services	3,702,779	3,702,779	3,770,434	(67,655)
2400 Pupil Health	981,182	981,182	1,144,552	(163,370)
2500 Business Services	768,874	768,874	820,844	(51,970)
2600 Plant Operation & Maintenance	5,506,574	5,506,574	6,454,716	(948,142)
2700 Pupil Transportation	2,993,311	2,993,311	3,119,958	(126,647)
2800 Central	1,790,299	1,790,299	1,782,777	7,522
2900 Other Support Services	190,084	190,084	51,804	138,280
3200 Student Activities	1,804,041	1,804,041	1,608,724	195,317
3300 Community Services	9,281	9,281	11,343	(2,062)
5110 Debt Service	288,350	288,350	699,830	(411,480)
5120 Refund of Prior Years Receipts	-	-	9,610	(9,610)
5200 Interfund Transfers	5,152,731	5,152,731	5,016,302	136,429
Total Expenditures	66,273,020	66,273,020	68,232,387	(1,959,367)
CHANGE IN FUND BALANCE	\$ 885,199	\$ 885,199	\$ 2,921,308	\$ 2,036,109

As noted earlier, 2021-2022 actual revenues exceeded budgeted revenues by \$3,995,476.

2021-2022 actual expenditures were more than budgeted expenditures by \$1,959,367.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021**

Capital Assets

The schedule below reflects capital assets owned by the District, net of accumulated depreciation. For comparative purposes, the schedule reflects both the current and the preceding year.

**DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS
FISCAL YEARS ENDED JUNE 30, 2022 AND 2021
CAPITAL ASSETS**

	2022			2021		
	Governmental Activities	Business-Type Activities	Total	Governmental Activities	Business-Type Activities	Total
Land	\$ 1,047,274	\$ -	\$ 1,047,274	\$ 1,047,274	\$ -	\$ 1,047,274
Construction-in-progress	601,268	-	601,268	312,156	-	312,156
Site improvements	2,990,672	-	2,990,672	3,508,506	-	3,508,506
Building and building improvements	61,322,875	-	61,322,875	64,391,398	-	64,391,398
Furniture and equipment	3,243,335	343,488	3,586,823	4,296,391	268,677	4,565,068
	<u>\$ 69,205,424</u>	<u>\$ 343,488</u>	<u>\$ 69,548,912</u>	<u>\$ 73,555,725</u>	<u>\$ 268,677</u>	<u>\$ 73,824,402</u>

DERRY TOWNSHIP SCHOOL DISTRICT
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
Year ended June 30, 2021

Debt

The District did not issue any new debt during 2021-2022, The District continues to maintain a AAA credit rating as issued by Standard & Poor's. This rating is the highest rating that can be achieved. This places the District among only a handful of Pennsylvania districts with that rating.

Current Issues

On June 27, 2006, Pennsylvania's governor signed Act 1 of Special Session 2006 into law. This legislation is far-reaching and complex and includes provisions for District property tax reduction funded through gaming revenue, facilitates a tax reduction and possible tax shift through imposition of additional earned income tax or personal income tax, requires voter approval through a "back end referendum" for real estate tax rate increases beyond a state-calculated index and created a Local Tax Study Commission to submit a recommendation to the Board regarding the tax shifting noted above. The Act also requires adoption of a preliminary budget as much as six months earlier than in the past.

The District is required to make contributions to the Pennsylvania State Employees Retirement System (PSERS) which covers substantially all employees. Although contribution rates were projected to increase, the contribution rate for 2023-2024 is actually being reduced compared to the current rate. The PSERS Board of Trustees will continue to monitor the performance of the fund as it sets the rates going forward. Historic rates have been as follows:

2013-2014	16.93%
2014-2015	21.40%
2015-2016	25.84%
2016-2017	30.03%
2017-2018	32.57%
2018-2019	33.43%
2019-2020	34.29%
2020-2021	34.51%
2021-2022	34.94%
2022-2023	35.26%
2023-2024	34.00%

The Commonwealth of Pennsylvania provides a subsidy for one-half of the retirement contributions.

Contacting the District's Financial Management

Our financial report is designed to provide our citizens, taxpayers, parents, students, staff, investors and creditors with a general overview of the Derry Township School District's finances and to show the Board of School Directors' accountability for the funds the District receives. Questions about this report or requests for additional financial information should be directed to the Business Manager at Derry Township School District, 30A East Granada Avenue, Hershey, PA 17033, (717) 534-2501.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION

June 30, 2022

	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 21,452,345	\$ 1,386,663	\$ 22,839,008
Taxes receivable - net of allowance	1,767,384	-	1,767,384
Due from other governments	2,624,133	264,225	2,888,358
Other receivables	372,868	235	373,103
Inventories	137,200	84,372	221,572
Prepaid expense	119,549	-	119,549
Total current assets	26,473,479	1,735,495	28,208,974
Noncurrent Assets			
Land	1,047,274	-	1,047,274
Construction-in-progress	601,268	-	601,268
Site improvements - net of accum. depreciation	2,990,672	-	2,990,672
Buildings and improvements - net of accum. depreciation	61,322,875	-	61,322,875
Furniture and equipment - net of accum. depreciation	3,243,335	343,488	3,586,823
Right-to-use leased equipment - net of accum. amortization	156,926	-	156,926
Beneficial interest in perpetual trust	45,488,795	-	45,488,795
Total noncurrent assets	114,851,145	343,488	115,194,633
Total assets	\$ 141,324,624	\$ 2,078,983	\$ 143,403,607
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 14,379,000	\$ 293,000	\$ 14,672,000
Deferred amounts on OPEB liabilities	1,123,669	22,954	1,146,623
Deferred amounts related to refunding debt	140,302	-	140,302
Total deferred outflows of resources	\$ 15,642,971	\$ 315,954	\$ 15,958,925
Total assets and deferred outflows of resources	\$ 156,967,595	\$ 2,394,937	\$ 159,362,532

See Notes to Financial Statements.

	Governmental Activities	Business-Type Activities	Totals
Liabilities			
Current Liabilities			
Internal balances	\$ 415,093	\$ (415,093)	\$ -
Accounts payable	1,560,210	81,430	1,641,640
Accrued salaries and benefits	5,897,985	9,690	5,907,675
Payroll deductions and withholdings	245,123	-	245,123
Unearned revenue	316,353	150,260	466,613
Current portion of long-term liabilities	3,895,201	-	3,895,201
Accrued interest payable	101,734	-	101,734
Total current liabilities	12,431,699	(173,713)	12,257,986
Noncurrent Liabilities			
Net pension liability	82,765,000	1,689,000	84,454,000
General obligation bonds	16,053,172	-	16,053,172
Authority lease obligations	2,263,581	-	2,263,581
Other lease obligations	627,351	-	627,351
Accrued compensated absences	1,303,068	29,955	1,333,023
Other post-employment benefits (OPEB) payable	13,007,363	265,028	13,272,391
Total noncurrent liabilities	116,019,535	1,983,983	118,003,518
Total liabilities	128,451,234	1,810,270	130,261,504
Deferred Inflows of Resources			
Deferred amounts on pension liability	14,992,000	306,000	15,298,000
Deferred amounts on OPEB liabilities	3,531,088	72,102	3,603,190
Total deferred inflows of resources	18,523,088	378,102	18,901,190
Net Position (Deficit)			
Net investment in capital assets	50,268,183	343,488	50,611,671
Restricted	49,240,997	-	49,240,997
Unrestricted deficit	(89,515,907)	(136,923)	(89,652,830)
Total net position	9,993,273	206,565	10,199,838
Total liabilities, deferred inflows of resources and net position	\$ 156,967,595	\$ 2,394,937	\$ 159,362,532

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

Function/Programs	Expenses	Program Revenue		Net (Expense) Revenue and Changes in Net Assets		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business- Type Activities	
Governmental Activities:						
Instruction	\$ 39,346,241	\$ 190,244	\$ 12,578,518	\$ (26,577,479)	\$ -	\$ (26,577,479)
Instructional student support	6,190,280	-	944,298	(5,245,982)	-	(5,245,982)
Administrative and financial support services	6,541,062	-	594,902	(5,946,160)	-	(5,946,160)
Operation and maintenance of plant services	6,546,815	110,181	433,700	(6,002,934)	-	(6,002,934)
Pupil transportation	3,274,212	-	728,741	(2,545,471)	-	(2,545,471)
Student activities	1,900,713	398,535	166,962	(1,335,216)	-	(1,335,216)
Community services	11,659	-	1,409	(10,250)	-	(10,250)
Debt service	475,262	-	178,209	(297,053)	-	(297,053)
Total governmental activities	64,286,244	698,960	15,626,739	(47,960,545)	-	(47,960,545)
Business-type Activities:						
Food service	1,831,234	156,499	2,002,159	-	327,424	327,424
Granada project	478,262	708,347	-	-	230,085	230,085
Total business-type activities	2,309,496	864,846	2,002,159	-	557,509	557,509
Total primary government	\$ 66,595,740	\$ 1,563,806	\$ 17,628,898	\$ (47,960,545)	\$ 557,509	\$ (47,403,036)
General Revenues and Transfers:						
Property taxes, levied for general purposes				\$ 39,178,400	\$ -	\$ 39,178,400
Act 511 taxes, levied for general purposes				11,228,694	-	11,228,694
State property tax relief allocation				672,468	-	672,468
Investment earnings				(5,417,066)	2,024	(5,415,042)
Gain on disposition of fixed assets				(309,566)	-	(309,566)
Miscellaneous income				244,325	-	244,325
Transfers				(303,242)	303,242	-
Total general revenues and transfers				45,294,013	305,266	45,599,279
Changes in net position				(2,666,532)	862,775	(1,803,757)
Net position (deficit) - July 1, 2021				12,659,805	(656,210)	12,003,595
Net position - June 30, 2022				\$ 9,993,273	\$ 206,565	\$ 10,199,838

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2022

	General Fund	Capital Projects Fund	Permanent Fund	Student Sponsored Activity Fund	Totals Governmental Funds
Assets					
Cash and cash equivalents	\$ 14,947,756	\$ 6,312,126	\$ -	\$ 192,463	\$ 21,452,345
Taxes receivable - net of allowance	1,767,384	-	-	-	1,767,384
Due from other funds	236,343	1,739,454	-	-	1,975,797
Due from other governments	2,624,133	-	-	-	2,624,133
Other receivables	279,411	-	-	-	279,411
Inventories	137,200	-	-	-	137,200
Prepaid expense	119,549	-	-	-	119,549
Beneficial interest in perpetual trust	-	-	45,488,795	-	45,488,795
Total assets	\$ 20,111,776	\$ 8,051,580	\$ 45,488,795	\$ 192,463	\$ 73,844,614
Liabilities					
Due to other funds	\$ 957,433	\$ 1,340,000	\$ -	\$ -	\$ 2,297,433
Accounts payable	1,542,780	17,430	-	-	1,560,210
Accrued salaries and benefits	5,897,985	-	-	-	5,897,985
Payroll deductions and withholdings	245,123	-	-	-	245,123
Unearned revenue	316,353	-	-	-	316,353
Total liabilities	8,959,674	1,357,430	-	-	10,317,104
Deferred Inflows of Resources					
Delinquent property taxes	285,711	-	-	-	285,711
Fund Balances					
Nonspendable	256,749	-	45,488,795	-	45,745,544
Restricted	-	6,694,150	-	192,463	6,886,613
Committed	5,600,000	-	-	-	5,600,000
Unassigned	5,009,642	-	-	-	5,009,642
Total fund balances	10,866,391	6,694,150	45,488,795	192,463	63,241,799
Total liabilities, deferred inflows of resources and fund balances	\$ 20,111,776	\$ 8,051,580	\$ 45,488,795	\$ 192,463	\$ 73,844,614

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2022**

Total fund balances - governmental funds	\$ 63,241,799
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. The cost of the capital assets is \$163,396,188, and the accumulated depreciation is \$94,033,838.

	69,362,350
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Property taxes receivable will be collected, but are not available soon enough to pay for the current period's expenditures, and therefore, are deferred inflows of resources in the funds.

	285,711
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Deferred inflows and outflows of resources related to pensions are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to the pension are as follows (see footnotes for detail):

Deferred outflows of resources	14,379,000
Deferred inflows of resources	(14,992,000)

Deferred inflows and outflows of resources related to OPEB are applicable to future periods, and therefore, are not reported within the funds. Deferred inflows and outflows related to OPEB are as follows (see footnotes for detail):

Deferred outflows of resources	1,123,669
Deferred inflows of resources	(3,531,088)

Long-term liabilities, including bonds payable, lease obligations and payables, net pension liability, compensated absences and other post-employment benefits, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:

Bonds payable, net of related discounts and premiums	(19,289,172)	
Deferred amount on refunding of debt	140,302	
Accrued interest payable	(101,734)	
Authority lease obligations	(2,384,080)	
Lease and lease purchase obligations	(1,166,053)	
Net pension liability	(82,765,000)	
OPEB liabilities	(13,007,363)	
Accumulated compensated absences	(1,303,068)	(119,876,168)

Total net position - governmental activities	\$ 9,993,273
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended June 30, 2022**

	General Fund	Capital Projects Fund	Permanent Fund	Debt Service Funds	Student Sponsored Activity Fund	Totals Governmental Funds
Revenues						
Local sources	\$ 51,583,136	\$ 9,384	\$ (5,460,763)	\$ -	\$ 254,458	\$ 46,386,215
State sources	12,647,977	-	-	-	-	12,647,977
Federal sources	3,256,186	-	-	-	-	3,256,186
Total revenues	67,487,299	9,384	(5,460,763)	-	254,458	62,290,378
Expenditures						
Instructional	38,822,379	-	-	-	-	38,822,379
Support services	22,064,199	337,907	-	-	-	22,402,106
Operation of noninstructional services	1,620,067	-	-	-	255,454	1,875,521
Refund of prior year receipts	9,610	-	-	-	-	9,610
Debt service	699,830	-	-	3,713,060	-	4,412,890
Total expenditures	63,216,085	337,907	-	3,713,060	255,454	67,522,506
Excess (deficiency) of revenues over expenditures	4,271,214	(328,523)	(5,460,763)	(3,713,060)	(996)	(5,232,128)
Other Financing (Uses) Sources						
Sale of capital assets	2,588	-	-	-	-	2,588
Interfund transfers in	3,062,540	1,000,000	-	3,713,060	-	7,775,600
Interfund transfers out	(5,016,302)	-	(3,062,540)	-	-	(8,078,842)
Issuance of extended term financing	601,268	-	-	-	-	601,268
Total other financing (uses) sources	(1,349,906)	1,000,000	(3,062,540)	3,713,060	-	300,614
Net changes in fund balances	2,921,308	671,477	(8,523,303)	-	(996)	(4,931,514)
Fund balance - July 1, 2021	7,945,083	6,022,673	54,012,098	-	193,459	68,173,313
Fund balance - June 30, 2022	<u>\$ 10,866,391</u>	<u>\$ 6,694,150</u>	<u>\$ 45,488,795</u>	<u>\$ -</u>	<u>\$ 192,463</u>	<u>\$ 63,241,799</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2022

Net changes in fund balances - governmental funds	\$ (4,931,514)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation and dispositions exceed capital outlays in the current period:

Capital outlays	666,637	
Less net book value of disposed assets	-	
Less depreciation expense	<u>(4,860,012)</u>	(4,193,375)

Some taxes will not be collected for several months after the District's fiscal year end, they are not considered as "available" revenues in the governmental funds. Deferred inflows of resources decreased by this amount during the year.	(57,860)
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Interest on long-term obligations in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due. The change in interest accrued in the Statement of Activities over the amount due is shown here.	18,662
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Change in net pension liability, net of deferred resources	3,644,744
Change in OPEB liabilities, net of deferred resources	(298,159)
Change in compensated absences	68,661

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effects of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Issuance of general obligation debt, including bond premium	-	
Issuance of extended term financing	(601,268)	
Repayment of leases payable	77,164	
Issuance of leases payable	(235,389)	
Repayment of long-term debt	3,338,071	
Amortization of charges for bond refunding	(74,112)	
Amortization of bond premiums and discounts - net	209,082	
Repayment of extended term financing	<u>368,761</u>	<u>3,082,309</u>

Change in net position of governmental activities	\$ <u>(2,666,532)</u>
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See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES -
BUDGET AND ACTUAL - GENERAL FUND**

Year Ended June 30, 2022

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Local sources	\$ 48,658,335	\$ 48,658,335	\$ 51,583,136	\$ 2,924,801
State sources	12,308,567	12,308,567	12,647,977	339,410
Federal sources	3,093,775	3,093,775	3,256,186	162,411
Total revenues	64,060,677	64,060,677	67,487,299	3,426,622
Expenditures				
Instruction				
Regular programs	28,215,209	28,215,209	28,438,260	(223,051)
Special programs	8,303,669	8,303,669	8,684,611	(380,942)
Vocational education programs	1,495,811	1,495,811	1,424,838	70,973
Other instructional programs	134,870	134,870	138,726	(3,856)
Community/junior college education programs	135,944	135,944	135,944	-
Total instruction	38,285,503	38,285,503	38,822,379	(536,876)
Support services				
Pupil personnel	2,093,517	2,093,517	2,181,634	(88,117)
Instructional staff	2,706,494	2,706,494	2,737,480	(30,986)
Administration	3,702,779	3,702,779	3,770,434	(67,655)
Pupil health	981,182	981,182	1,144,552	(163,370)
Business	768,874	768,874	820,844	(51,970)
Operation and maintenance of plant services	5,506,574	5,506,574	6,454,716	(948,142)
Student transportation services	2,993,311	2,993,311	3,119,958	(126,647)
Central	1,790,299	1,790,299	1,782,777	7,522
Other support services	190,084	190,084	51,804	138,280
Total support services	20,733,114	20,733,114	22,064,199	(1,331,085)
Operation of noninstructional services				
Student activities	1,804,041	1,804,041	1,608,724	195,317
Community services	9,281	9,281	11,343	(2,062)
Total operation of noninstructional services	1,813,322	1,813,322	1,620,067	193,255
Refund of prior years' receipts	-	-	9,610	(9,610)
Debt service	288,350	288,350	699,830	(411,480)
Total expenditures	61,120,289	61,120,289	63,216,085	(2,095,796)
Excess of revenues over expenditures	2,940,388	2,940,388	4,271,214	1,330,826
Other Financing (Uses) Sources				
Sale of or compensation for loss of fixed assets	35,000	35,000	2,588	(32,412)
Interfund transfers in	3,062,542	3,062,542	3,062,540	(2)
Interfund transfers out	(5,152,731)	(5,152,731)	(5,016,302)	136,429
Issuance of extended term financing	-	-	601,268	601,268
Total other financing (uses) sources	(2,055,189)	(2,055,189)	(1,349,906)	705,283
Net change in fund balance	\$ 885,199	\$ 885,199	\$ 2,921,308	\$ 2,036,109

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

June 30, 2022

	Food Service Fund	Granada Project Fund	Totals
Assets			
Current Assets			
Cash and cash equivalents	\$ 6,772	\$ 1,379,891	\$ 1,386,663
Due from other funds	452,726	105,253	557,979
Due from other governments	264,225	-	264,225
Other receivables	235	-	235
Inventories	84,372	-	84,372
Total current assets	808,330	1,485,144	2,293,474
Noncurrent Assets			
Food service equipment	2,350,525	-	2,350,525
Lease buyout	-	1,629,000	1,629,000
Accumulated depreciation and amortization	(2,007,037)	(1,629,000)	(3,636,037)
Total noncurrent assets	343,488	-	343,488
Total assets	\$ 1,151,818	\$ 1,485,144	\$ 2,636,962
Deferred Outflows of Resources			
Deferred amounts on pension liability	\$ 293,000	\$ -	\$ 293,000
Deferred amounts on OPEB liabilities	22,954	-	22,954
Total deferred outflows of resources	\$ 315,954	\$ -	\$ 315,954

See Notes to Financial Statements.

	Food Service Fund	Granada Project Fund	Totals
Liabilities			
Current Liabilities			
Due to other funds	\$ 142,886	\$ -	\$ 142,886
Accounts payable	23,795	57,635	81,430
Accrued salaries and benefits	9,690	-	9,690
Unearned revenues	114,779	35,481	150,260
Total current liabilities	291,150	93,116	384,266
Noncurrent Liabilities			
Net pension liability	1,689,000	-	1,689,000
Accrued compensated absences	29,955	-	29,955
OPEB liabilities	265,028	-	265,028
Total noncurrent liabilities	1,983,983	-	1,983,983
Total liabilities	\$ 2,275,133	\$ 93,116	\$ 2,368,249
Deferred Inflows of Resources			
Deferred amounts on pension liability	\$ 306,000	\$ -	\$ 306,000
Deferred amounts on OPEB liabilities	72,102	-	72,102
Total deferred inflows of resources	\$ 378,102	\$ -	\$ 378,102
Net Position (Deficit)			
Net investment in capital assets	\$ 343,488	\$ -	\$ 343,488
Unrestricted (deficit) position	(1,528,951)	1,392,028	(136,923)
Total net (deficit) position	\$ (1,185,463)	\$ 1,392,028	\$ 206,565

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - PROPRIETARY FUNDS

Year Ended June 30, 2022

	Food Service Fund	Granada Project Fund	Total
Operating Revenues			
Food service revenue	\$ 156,499	\$ -	\$ 156,499
Rental income	-	230,085	230,085
CAM income	-	478,262	478,262
Total operating revenues	156,499	708,347	864,846
Operating Expenses			
Salaries	553,083	-	553,083
Employee benefits	250,199	-	250,199
Food and supplies consumed	897,124	-	897,124
Other expenses	52,396	-	52,396
CAM expenses	-	478,262	478,262
Depreciation and amortization	78,432	-	78,432
Total operating expenses	1,831,234	478,262	2,309,496
Operating (loss) income	(1,674,735)	230,085	(1,444,650)
Nonoperating Revenues			
State subsidies for food service	50,360	-	50,360
State subsidy for social security payments	20,790	-	20,790
State subsidy for retirement payments	85,761	-	85,761
Federal subsidies	1,722,842	-	1,722,842
Value of U.S.D.A. commodities	122,406	-	122,406
Investment earnings	-	2,024	2,024
Total nonoperating revenues	2,002,159	2,024	2,004,183
Income before transfers	327,424	232,109	559,533
Interfund Transfers In	303,242	-	303,242
Changes in net position	630,666	232,109	862,775
Net Position (Deficit) - July 1, 2021	(1,816,129)	1,159,919	(656,210)
Net Position (Deficit) - June 30, 2022	<u>\$ (1,185,463)</u>	<u>\$ 1,392,028</u>	<u>\$ 206,565</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS Year Ended June 30, 2022

	Food Service Fund	Granada Project Fund	Total
Cash Flows From Operating Activities			
Cash received from users	\$ 209,468	\$ 698,766	\$ 908,234
Cash payments to employees for services	(860,412)	-	(860,412)
Cash payments for goods and services	(1,198,525)	(405,321)	(1,603,846)
Net cash (used in) provided by operating activities	(1,849,469)	293,445	(1,556,024)
Cash Flows From Noncapital Financing Activities			
State subsidies	152,332	-	152,332
Federal subsidies	1,547,454	-	1,547,454
Transfers	150,000	-	150,000
Net cash provided by noncapital financing activities	1,849,786	-	1,849,786
Cash Flows From Investing Activities			
Investment earnings	-	2,024	2,024
Net increase in cash and cash equivalents	317	295,469	295,786
Cash and Cash Equivalents:			
July 1, 2021	6,455	1,084,422	1,090,877
June 30, 2022	<u>\$ 6,772</u>	<u>\$ 1,379,891</u>	<u>\$ 1,386,663</u>
Reconciliation of Operating (Loss) Income to Net Cash (Used in) Provided by Operating Activities:			
Operating (loss) income	\$ (1,674,735)	\$ 230,085	\$ (1,444,650)
Adjustments to reconcile operating income (loss) to net cash (used in) provided by operating activities:			
Depreciation	78,432	-	78,432
Value of donated commodities	122,406	-	122,406
(Increase) decrease in:			
Other accounts receivable	13,180	-	13,180
Inventories	(5,984)	-	(5,984)
Prepaid expenses	-	-	-
Deferred outflows of resources	20,089	-	20,089
(Decrease) increase in:			
Internal balances	(380,255)	99,539	(280,716)
Accounts payable	14,828	(26,598)	(11,770)
Accrued salaries and benefits	8,212	-	8,212
Unearned revenues	39,789	(9,581)	30,208
Accrued compensated absences	2,855	-	2,855
Net pension liability	(354,000)	-	(354,000)
OPEB liabilities	13,231	-	13,231
Deferred inflows of resources	252,483	-	252,483
Net cash (used in) provided by operating activities	\$ (1,849,469)	\$ 293,445	\$ (1,556,024)
Supplemental Disclosure			
Noncash noncapital financing activity			
USDA donated commodities	<u>\$ 122,406</u>	<u>\$ -</u>	<u>\$ 122,406</u>
Noncash investing activity			
Assets transferred from general fund	<u>\$ 153,242</u>	<u>\$ -</u>	<u>\$ 153,242</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

June 30, 2022

	Private-Purpose Trust Fund
Assets	
Cash and cash equivalents	\$ 380,199
Investments	1,061,535
Other receivables	5,000
Total assets	<u>\$ 1,446,734</u>
Liabilities	
Due to other funds	\$ 93,457
Total liabilities	<u>\$ 93,457</u>
Net Position	
Restricted	\$ 1,353,277
Total net position	<u>\$ 1,353,277</u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION Year Ended June 30, 2022

	Private-Purpose Trust Fund
Additions	
Interest earned	\$ 639
Contributions	12,057
Total additions	<u>12,696</u>
Deductions	
Scholarships awarded	256,693
Unrealized loss on investments	77,043
Total deductions	<u>333,736</u>
Change in net position	(321,040)
Net Position:	
July 1, 2021	1,674,317
June 30, 2022	<u><u>\$ 1,353,277</u></u>

See Notes to Financial Statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Derry Township School District (the District), operates a public school system that encompasses one municipality in Dauphin County. The District operates one elementary school, one middle school and one high school. The District operates under current standards prescribed by the Pennsylvania Department of Education in accordance with the provisions of the School Laws of Pennsylvania. The governing body of the District is comprised of a board of nine school directors who are each elected for a four-year term. The daily operation and management of the District is carried out by the administrative staff of the District, headed by the Superintendent of Schools who is appointed by the Board of School Directors. Funding for the District is received from local, Commonwealth and Federal sources and must comply with the requirements of the various funding source agencies.

The District assesses the taxpayers of these municipalities based upon taxing powers at its disposal. The ability of the District's taxpayers to pay their assessments is dependent upon economic and other factors affecting the taxpayers.

The financial statements of the District have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative, standard setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

In evaluating the District as a reporting entity, management has addressed all potential component units which may or may not fall within the District's financial accountability. The criteria used by the District to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the District reviews the applicability of the following criteria:

The District is financially accountable for:

Organizations that make up the legal District entity.

Legally separate organizations if District officials appoint a voting majority of the organizations' governing body and the District is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Impose its will: If the District can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

Financial benefit or burden: Exists if the District (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

Organizations that are fiscally dependent on the District.

Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the District.

Based on the foregoing criteria, the District has no component entities that need to be included in the District's financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

Joint Ventures: The District is a participant in several joint ventures, each of which is a separate legal entity that offers services to the District and its residents. These entities serve multiple school districts and municipalities, and therefore, are not included in this reporting entity as a component unit. These entities do not have taxing authority, but are required to adopt an annual budget, which is funded primarily by its members and others that use its services.

Dauphin County Area Vocational Technical School: The District is one of seven-member school districts of the Dauphin County Technical School (DCTS). The Vo-Tech School provides vocational-technical education to the constituents of all participating school districts. Member school districts are responsible for funding the major portion of the Vo-Tech School's operating budget. For the year ended June 30, 2022, Derry Township School District paid \$562,400 for its estimated share of the operating budget. As of June 30, 2022, the Vo-Tech School's General Fund had total assets of \$3,557,698 and total liabilities of \$2,832,425. As of June 30, 2022, the Vo-Tech School had property and equipment net of accumulated depreciation of \$22,609,540, and long-term liabilities of \$44,042,652. The Vo-Tech School's outstanding balance on their Series of 2015 bond as of June 30, 2022, is \$13,525,000.

Derry Township Tax Collection Association: This Tax Association is a non-profit corporation created by both Derry Township School District and Derry Township to collect occupation privilege taxes and amusement taxes and to assist the elected tax collector in the collection of all real estate and occupation taxes and municipal street light assessments. The Association's expenses are shared equally by both the District and Township. During the year ended June 30, 2022, the District paid \$152,520 for its estimated share of the operating expenses. As of December 31, 2021, the Tax Association's General Fund had total assets of \$131,555 and total liabilities of \$8,521, resulting in a total fund balance of \$117,334. As of December 31, 2021, the Tax Association had general fund fixed assets net of accumulated depreciation of \$5,700.

Capital Area Intermediate Unit: This Intermediate Unit provides support and services to students with special needs that cannot be provided by district staff.

Harrisburg Area Community College: Provides higher education services. All Dauphin County Schools provide support to reduce tuition for district residents who attend full time.

The most recent audited financial statements of these joint ventures are available for inspection at the District's business office.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities and Fund Financial Statements, which provide a more detailed level of financial information.

Government-wide Financial Statements: The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the District that are governmental and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the District at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the District's governmental activities, and for the business-type activities of the District. Direct expenses are those that are specifically associated with a service, program, or department, and therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the District at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary and fiduciary.

Governmental funds are those through which most governmental functions of the District are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds for the year ended June 30, 2022:

The General Fund is the operating fund of the District and is used to account for all financial resources, except those required to be accounted for in another fund.

The Capital Projects Funds are made up of the Capital Reserve Fund as well as the Capital Projects Fund. The Capital Reserve Fund was established by the Board in April 2008, to fund various future school projects. The annual funding level shall be adjusted based on a board approved "capital maintenance/growth plan" and shall not exceed three years of projected expenditures. Expenditures are limited to capital improvements, replacement of and additions to public works and improvements, for deferred maintenance thereof, and for the purchase or the replacement of school buses, and for no other purpose. The Capital Projects Fund was established by the Board in 2019, and is used to account for and report financial resources that are restricted to expenditures for the acquisition, construction, or improvement of major capital facilities.

The Permanent Fund is a beneficial interest in a perpetual trust. The fund is legally restricted to the extent that only earnings, and not principal, are used for purposes that support the District's programs.

The Debt Service fund accounts for accumulation of resources for, and the payment of long-term debt principal, interest and related costs.

The Student Sponsored Activity Fund is set up in accordance with Section 511 of the PA School Code for student sponsored school organizations and publications which do not meet the criteria to be reported as custodial funds per GASB Statement No. 84 *Fiduciary Activities*.

Proprietary Funds focus on the determination of the changes in net position, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the District has no internal service funds.

Enterprise Funds are used to account for any activity for which a fee is charged to external users for goods or services. The District reports the following enterprise funds:

The Food Service Fund accounts for the financial transactions related to food service operations.

The Granada Project Fund accounts for financial transactions related to facility rental operations.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

C. Fund Accounting (Continued)

Fiduciary Fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations, or other governments and are, therefore, not available to support the District's own programs. The District's only trust funds are private purpose trust funds which account for scholarship programs for students.

D. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Net position (total assets, plus deferred outflows of resources, less total liabilities, less deferred inflows of resources) is used as a practical measure of economic resources and the operating statement includes all transactions and events that increased or decreased net position. Depreciation is charged as expense against current operations and accumulated depreciation is reported on the Statement of Net Position.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenue to be available if collected within 60 days of the end of the fiscal period. Revenue from Federal, state and other grants designated for payment of specific School District expenditures are recognized when the related expenditures are incurred; accordingly, when such funds are received, they are recorded as deferred revenues until earned. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

E. Budgets and Budgetary Accounting

An operating budget is adopted prior to the beginning of each year for the General Fund on a modified accrual basis of accounting. The General Fund is the only fund for which a budget is legally required.

The Pennsylvania School Code dictates specific procedures relative to adoption of the District's budget and reporting of its financial statements, specifically:

The District, before levying annual school taxes, is required to prepare an operating budget for the succeeding fiscal year.

The District is required to publish notice by advertisement, at least once in two newspapers of general circulation in the municipality in which it is located, and within 15 days of final action, that the proposed budget has been prepared and is available for public inspection at the administrative office of the District.

Notice that public hearings will be held on the proposed operating budget must be included in the advertisement; such hearings are required to be scheduled at least 10 days prior to when final action on adoption is taken by the Board.

Legal budgetary control is maintained at the sub-function/major object level. The Board may make transfers of funds appropriated to any particular item of expenditure by legislative action in accordance with the Pennsylvania School Code. Management may amend the budget at the sub-function/sub-object level without Board approval. Appropriations lapse at the end of the fiscal period. Budgetary information reflected in the financial statements is presented at or below the level of budgetary control and includes the effect of approved budget amendments. The Board made no supplemental budgetary appropriations throughout the year.

In order to preserve a portion of an appropriation for which an expenditure has been committed by a purchase order, contract or other form of commitment, an encumbrance is recorded. Encumbrances outstanding at year end are reported in the fund financial statements as a committed fund balance.

Included in the General Fund budget are program budgets as prescribed by the Federal and state agencies funding the program. These budgets are approved on a program by program basis by the Federal and state funding agencies.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

Cash and Cash Equivalents and Investments: Cash includes all demand deposits, petty cash, savings, money market accounts and Certificates of Deposit owned by the District. Investments include repurchase agreements, investment trusts which mature at a future date, mutual funds and United States Treasury Notes. Investments are stated at fair value. Accrued interest is reflected as “other receivables” on the balance sheet.

The District is authorized by Sec. 440.1 of the Public School Code of 1949, as amended, to invest in United States Treasury Bills, short-term obligations of the United States Government or its agencies and instrumentalities, or in deposits, in savings accounts or time deposits or share accounts of institutions insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC) or the National Credit Union Share Insurance Fund (NCUSIF), to the extent that such accounts are so insured, and for any amounts above the insured maximums, provided that approved collateral as required by provisions of Act No. 72 of the Commonwealth of Pennsylvania are pledged by the depository.

For purposes of these financial statements, the District considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Interfund Balances: On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payable.” These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

Inventory: On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are based upon the latest invoice price, which approximates cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. Inventories of the governmental funds and enterprise fund are expensed when used.

Prepaid Expenses: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items (consumption method) in both the government-wide and fund financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Capital Assets: General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of \$5,000. The District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land, land improvements and construction-in-progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and improvements	20-50 years	N/A
Furniture and equipment	5-15 years	5-12 years
Vehicles	8-10 years	N/A

Deferred Outflows of Resources - Pensions and Other Post-Employment Benefits: The District recognizes deferred outflows of resources, which represent a consumption of net assets that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense) until that time. The District has identified these items in subsequent notes to the financial statements.

Deferred Outflows of Resources - Deferred Amounts on Refunding Debt: The District recognizes the difference between the re-acquisition price and the net carrying amount of the old debt as a deferred outflow which is a component of interest expense over the remaining life of the old or new debt, whichever is shorter.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Long-Term Obligations: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activity columns in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Leases: The District is a lessee for non-cancellable leases of equipment. A lease liability and an intangible right-to-use lease asset is recognized in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Compensated Absences: Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the District's past experience of making termination payments. The compensated absence liability is reported on the government-wide financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Pensions: Substantially all full-time and qualifying part-time employees of the District participate in a cost sharing, multiple employer defined benefit pension plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits: In the government-wide financial statements, the District recognizes the costs and liabilities associated with post-employment benefits other than pension compensation. The District participates in two plans, the first is a single employer plan administered by the District. The Plan provides retiree health, vision, dental care and prescription drug benefits for eligible, retired employees and their qualified spouses/beneficiaries. The District estimates the cost of providing these benefits through an actuarial valuation.

The District also participates in a governmental cost sharing, multiple employer other post-employment benefit plan (OPEB) with PSERS for all eligible retirees who qualify and elect to participate. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Public School Employees' Retirement System (PSERS) and additions to/deductions from PSERS's fiduciary net position have been determined on the same basis as they are reported by PSERS. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Other Post-Employment Benefits (Continued):

The balance of the District's OPEB liabilities and related deferred outflows/inflows of resources at June 30, 2022, are as follows:

	Governmental Activities	Business-Type Activities	Total
OPEB Liabilities			
District's Single Employer Plan	\$ 8,233,363	\$ 168,028	\$ 8,401,391
PSERS Cost Sharing Plan	4,774,000	97,000	4,871,000
Total	<u>\$ 13,007,363</u>	<u>\$ 265,028</u>	<u>\$ 13,272,391</u>
Deferred Outflows of Resources			
District's Single Employer Plan	\$ 237,869	\$ 4,854	\$ 242,723
PSERS Cost Sharing Plan	885,800	18,100	903,900
Total	<u>\$ 1,123,669</u>	<u>\$ 22,954</u>	<u>\$ 1,146,623</u>
Deferred Inflows of Resources			
District's Single Employer Plan	\$ 3,425,188	\$ 69,902	\$ 3,495,090
PSERS Costs Sharing Plan	105,900	2,200	108,100
Total	<u>\$ 3,531,088</u>	<u>\$ 72,102</u>	<u>\$ 3,603,190</u>

Additional disclosures related to other post-employment benefits of the School's Single Employer Plan and PSERS Cost Sharing Plan can be found in subsequent notes to the financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Deferred Inflows of Resources - Unearned Revenues: The District recognizes property tax revenues when they become available. Available includes those property taxes expected to be collected within 60 days after year end. Those property taxes expected to be collected beyond 60 days after year end are shown as deferred revenue in the fund financial statements. Governmental funds also defer revenues in connection with resources that have been received, but not yet earned.

Deferred Inflows of Resources - Pensions and Other Post-Employment Benefits: The District recognizes deferred inflows of resources, which represent an acquisition of net assets that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The District has identified these items in subsequent notes to the financial statements.

Government-wide Net Position: Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. The District's net position is composed of the following:

Net Investment in Capital Assets: Consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of these assets.

Restricted: Represents amounts with external constraints placed on the use of these resources or imposed through constitutional provisions or enabling legislation. Restricted net position for the governmental activities is composed of the following:

	Amount
Capital improvements	\$ 3,559,739
Student sponsored activities	192,463
Beneficial interest in perpetual trust (nonexpendable)	45,488,795
Total restricted net position	<u>\$ 49,240,997</u>

There were no restrictions placed on net position for the business-type activities.

Unrestricted: The difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not reported in net investment in capital assets or as restricted net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first and then unrestricted resources as they are needed.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance (Continued)

Fund Balances: In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable: Represents amounts that cannot be spent either because they are in nonspendable form (such as inventory or prepaids) or because they are legally or contractually required to be maintained intact (such as notes receivable or principal of a permanent fund).

Restricted: Represents amounts with external constraints placed on the use of these resources (such as grantors, bondholders and higher level of government) or imposed through constitutional provisions or enabling legislation.

Committed: Represents amounts that can only be used for specific purposes imposed by a formal action of the District's highest level of decision making authority, the Board. Committed resources cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same formal action that imposed the constraint originally.

Assigned: Represents amounts the District intends to use for specific purposes as expressed by the Board or an official delegated the authority. The Board has delegated the authority to assign fund balances to the Business Manager. The District does not have any amounts that are assigned.

Unassigned: Represents amounts that are available for any purpose, reported only in the General Fund.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expensed is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and unassigned fund balance.

The District's policy is to maintain eight percent (8%) of annual budgeted operating expenditures for the next fiscal year as its maximum general fund unassigned fund balance.

The following schedule provides information about the specific fund balance classification by fund:

	General Fund	Capital Projects Fund	Student Sponsored Activity Fund	Permanent Fund	Total
Nonspendable					
Inventory	\$ 137,200	\$ -	\$ -	\$ -	\$ 137,200
Prepaid expenses	119,549	-	-	-	119,549
Note receivable	-	-	-	-	-
Beneficial interest in perpetual trust	-	-	-	45,488,795	45,488,795
Restricted					
Capital improvements	-	6,694,150	-	-	6,694,150
Student sponsored activities	-	-	192,463	-	192,463
Committed					
Health benefits	2,100,000	-	-	-	2,100,000
Retirement stabilization	500,000	-	-	-	500,000
Capital planning	3,000,000	-	-	-	3,000,000
Unassigned	5,009,642	-	-	-	5,009,642
Total	<u>\$ 10,866,391</u>	<u>\$ 6,694,150</u>	<u>\$ 192,463</u>	<u>\$ 45,488,795</u>	<u>\$ 60,241,799</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. New Accounting Pronouncements

The following list reflects only those pronouncements initially effective in the current or upcoming reporting periods which based on our review, may be applicable to the District's reporting requirements.

Following are descriptions of significant pronouncements that were considered or initially selected during the year ended June 30, 2022:

GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021, per GASB No. 95, and earlier application is encouraged. The District has implemented this pronouncement in the current year.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, establishes accounting requirements for interest cost incurred before the end of a construction period to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period.

GASB Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and improves consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of various GASB standards previously issued.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, addresses accounting and financial reporting implications that result from the replacement of an IBOR.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*, (1) increases consistency and comparability related to the reporting of fiduciary component units where a governing board does not exist and the primary government performs the duties that a governing board typically would perform; (2) mitigates costs associated with the reporting of certain defined contribution pension and OPEB plans and other employee benefit plans as fiduciary component units and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. New Accounting Pronouncements (Continued)

The following are descriptions of accounting pronouncements which will be considered for implementation during subsequent fiscal years, with modified effective dates as established by GASB Statement No. 95:

GASB Statement No. 91, *Conduit Debt Obligations*, will be effective for the District beginning with its year ending June 30, 2023 (periods beginning after December 15, 2021). This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, will be effective for the District beginning with its year ending June 30, 2023 (fiscal periods beginning after June 15, 2022). This Statement improves financial reporting by addressing issues related to public-private and public-public partnerships.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements for this Statement are effective for fiscal years beginning after June 15, 2022. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The District is currently evaluating what effect, if any, the adoption of GASB No. 96 will have on the District's financial statements.

GASB Statement No. 99, *Omnibus 2022 will be effective in fiscal years between June 30, 2022 and 2024*, depending on the topics addressed and their relation to other standards. This Statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

GASB Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*, will be effective for fiscal years beginning after June 15, 2023. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting - understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies (Continued)

G. New Accounting Pronouncements (Continued)

GASB Statement No. 101, *Compensated Absences*, will be effective for fiscal years beginning after December 15, 2023. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. It requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave - not be recognized until the leave commences. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

H. Other

Encumbrances: Encumbrances at year end are reported in the fund financial statements as restricted or committed fund balances since they do not constitute expenditures or liabilities but serve as authorization for expenditures in the subsequent year.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Significant estimates used in preparation of these financial statements include depreciation, compensated absences, pension related items and other post-employment benefits. Accordingly, actual results could differ from those estimates.

Subsequent Events: In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through February 10, 2023, the date that the financial statements were available to be issued.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 2. GASB Standard Implementation

The District implemented Governmental Accounting Standards Board Statement (GASB) No. 87, *Leases*. The Standard requires the inclusion of lease liabilities and underlying assets associated with the nonfinancial, right to use assets resulting in a potential restatement of the government-wide statement of net position. The change did not require a restatement of the District's Governmental Net Position.

Note 3. Deposits and Investments

Under Section 440.1 of the Public School Code of 1949, as amended, the District is permitted to invest funds consistent with sound business practices in the following types of investments:

- U.S. Treasury Bills
- Short-term obligations of the U.S. Government or its agencies or its instrumentalities
- Deposits in savings accounts or time deposits or share accounts of institutions insured by:
 1. The Federal Deposit Insurance Corporation (FDIC), or
 2. The Federal Savings and Loan Insurance Corporation (FSLIC), or
 3. The National Credit Union Share Insurance Fund (NCUSIF) to the extent that such accounts are so insured, and for any amounts above maximum insurable limits, provided that approved collateral as provided by law shall be pledged by the depository
- Obligations of (a) the United States of America or its agencies or instrumentalities backed by the full-faith and credit of the United States of America, and (b) the Commonwealth of Pennsylvania, or instrumentalities thereof, backed by the full-faith and credit of these political subdivisions
- Shares of investment companies whose investments are restricted to the above categories

The deposit and investment policy of the District adheres to state statutes and prudent business practices. There were no deposit or investment transactions during the year that were in violation of either state statutes or the policy of the District.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (Continued)

Deposits: Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank default, the District's investments may not be returned to it. A summary of the District's deposits at June 30, 2022, are shown below:

	Carrying Amount	Bank Balance	Financial Institution
Insured (FDIC)	\$ 250,000	\$ 250,000	First National Bank
Insured (FDIC)	250,000	250,000	WSFS Institutional Services
Uninsured, collateralized in accordance with Act 72	18,900,907	19,412,183	First National Bank
Uninsured, collateralized in accordance with Act 72	3,809,906	3,809,906	WSFS Institutional Services
	<u>\$ 23,210,813</u>	<u>\$ 23,722,089</u>	

Act 72 of 1971, as amended, is an act standardizing the procedures for pledges of assets to secure deposits of public funds with banking institutions pursuant to other laws; establishing a standard rule for the types, amounts and valuations of assets eligible to be used as collateral for deposits of public funds; permitting assets to be pledged against deposits on a pooled basis and authorizing the appointment of custodians to act as the pledgers of the assets.

Investments

It is the District's investment policy to optimize its return through investment of cash balances in such a way as to minimize non-invested balances and to maximize return on investments. The primary objectives of investment activities, in priority order, shall be:

1. Legality - All investments shall be made in accordance with applicable laws of Pennsylvania.
2. Safety - Safety of principal shall be of highest priority. Preservation of capital in the portfolio of investments shall be ensured through the mitigation of credit risk and interest rate risk.
3. Liquidity - Investments shall remain sufficiently liquid to meet all operating requirements that are reasonably anticipated. A fiscal year operations anticipated cash flow shall be developed so that investments can be made as early as possible, with maturities concurrent with anticipated cash demands.
4. Yield - Investments shall be made with the objective of attaining a market-average rate of return throughout the budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs.

At June 30, 2022, the District had no investments with maturities greater than 12 months within the governmental funds.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 3. Deposits and Investments (Continued)

Investments (Continued)

As of June 30, 2022, the James L. Fillmore Scholarship Trust Fund (contained within the fiduciary fund - private purpose trust fund), to be used to provide scholarships for students to attend the University of Cincinnati, had the following investments:

Investments	Fair Value
Money market fund	\$ 214,310
Mutual funds	697,909
Common stock	62,656
Exchange traded funds	86,660
Total investments	<u>\$ 1,061,535</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Common Stocks, Mutual Funds and Exchange Traded Funds: The fair value of common stocks and mutual funds are based on closing market prices for the identical security as reported in active markets. These investments are reported at fair value as Level 1 investments under GASB Statement No. 72.

Money Market Funds: Fixed income securities do not always trade on a daily basis so the fair values of each security are dependent upon various pricing models that incorporate benchmark yields, interest rates, credit risk, broker-dealer quotes and other valuation processes. These investments are reported at fair value as a Level 2 investment under GASB Statement No. 72.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 4. Beneficial Interest in a Perpetual Trust

The District is named the beneficiary in a perpetual trust, which originated from a bequest by Milton S. Hershey in 1946, and is administered by Fulton Bank, NA. The perpetual trust is to pay income to the District quarterly, and the District is to use the funds for such purpose as determined by the Board. The funds in the trust are restricted and are not available to the District, except for distributions made from the trust to the District per the trust agreement and state law governing perpetual trusts. Assets of the perpetual trust are restricted in the Statement of Net Position and designated as nonspendable in the governmental funds balance sheet. The assets are recorded at fair value. Income less trustee fees and changes in fair value of the perpetual trust are recorded as investment earnings. The following is a summary of the transactions for the year ended June 30, 2022:

	Amount
Balance at July 1, 2021	\$ 54,012,098
Net investment loss	(5,271,426)
Trustee fees	(189,337)
Transfers to general fund	(3,062,540)
Balance at June 30, 2022	<u>\$ 45,488,795</u>

The assets of the perpetual trust are categorized as Level 3. Financial assets valued using level 3 inputs are based on significant unobservable inputs and have the lowest priority. According to FASB ASC 820-10-35-58, if an organization will never be able to redeem its investment at the net asset value per share (as in a perpetual trust), the measurement should be categorized as a Level 3 fair value measurement.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 5. Property Taxes

Based upon assessed valuations provided by the County, the District bills and collects its own property taxes. The schedule for property taxes levied for 2021-2022, is as follows:

July 1, 2021	Tax levy date
Through August 31, 2021	2% discount
September 1 - October 31, 2021	Face payment period
November 1 - December 31, 2021	10% penalty period
January 1, 2022	Lien filing date

The District's tax rate for all purposes in 2021-2022 was 18.7958 mills (\$18.7958 per \$1,000 assessed valuation). Refunds on payments of prior year taxes are classified as Other Debt Service items under the Commonwealth of Pennsylvania's accounting system. Current tax collections for the District were approximately 99% of the total tax levy.

Note 6. Taxes Receivable, Deferred Inflows of Resources and Estimated Uncollectible Taxes

A summary of the taxes receivable and related accounts at June 30, 2022, are as follows:

	Amount
Uncollected Taxes	\$ 3,800,452
Estimated uncollectible taxes	(2,033,068)
Taxes Receivable - Net	<u>\$ 1,767,384</u>
Taxes to be collected within 60 days	\$ 1,481,673
Deferred inflows of resources - delinquent property taxes	285,711
Taxes Receivable - Net	<u>\$ 1,767,384</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 7. Interfund Receivables and Payables and Transfers

Individual fund receivable and payable balances at June 30, 2022, are as follows:

Fund	Interfund Receivables	Interfund Payables
Governmental Funds		
General	\$ 236,343	\$ 957,433
Capital projects	1,739,454	1,340,000
Proprietary Funds		
Food service	452,726	142,886
Granada project	105,253	-
Fiduciary Fund		
Private purpose trust	-	93,457
	<u>\$ 2,533,776</u>	<u>\$ 2,533,776</u>

In order to take advantage of higher interest rates, the District holds all of the cash for each fund in one account. They make monthly transfers to cover the expenses of each fund. The balances in the interfund receivables are the amount of cash belonging to that fund in the general fund account.

All interfund receivable/payable balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. All balances are expected to be repaid within the following year.

Individual fund transfers during the fiscal year ended June 30, 2022, are as follows:

Fund	Transfers In	Transfers Out
Governmental Funds		
General	\$ 3,062,540	\$ 5,016,302
Permanent	-	3,062,540
Debt service	3,713,060	-
Capital projects	1,000,000	-
Proprietary Fund		
Food service	303,242	-
	<u>\$ 8,078,842</u>	<u>\$ 8,078,842</u>

Transfers and payments within the District are substantially for purposes of funding capital projects and asset acquisitions or maintaining debt service on a routine basis. Transfers are made from the general fund to the food service fund for operation of the school's cafeteria program. Transfers are made from the general fund to the capital projects fund for to provide funding for future projects. Transfers are made from the permanent fund to the general fund for investment earnings of the fund. Resources are accumulated in a fund to support and simplify the administration of various projects or programs.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

	July 1, 2021	Increases	Decreases	June 30, 2022
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 1,047,274	\$ -	\$ -	\$ 1,047,274
Construction-in-progress	312,156	601,268	312,156	601,268
Total capital assets not being depreciated	1,359,430	601,268	312,156	1,648,542
Capital assets being depreciated				
Site improvements	10,730,724	-	-	10,730,724
Buildings and building improvements	119,320,260	85,788	-	119,406,048
Furniture and equipment	31,741,665	134,811	422,528	31,453,948
Right-to-use leased equipment	-	156,926	-	156,926
Total capital assets being depreciated	161,792,649	377,525	422,528	161,747,646
Less accumulated depreciation				
Site improvements	7,222,218	517,834	-	7,740,052
Buildings and building improvements	54,928,862	3,154,311	-	58,083,173
Furniture and equipment	27,445,274	1,187,867	422,528	28,210,613
Total Accumulated Depreciation	89,596,354	4,860,012	422,528	94,033,838
Total capital assets being depreciated, net	72,196,295	(4,482,487)	-	67,713,808
Total Governmental Activities, Capital Assets - Net	\$ 73,555,725	\$ (3,881,219)	\$ 312,156	\$ 69,362,350
Business-Type Activities				
Capital assets being depreciated				
Equipment	\$ 2,197,282	\$ 153,243	\$ -	\$ 2,350,525
Less accumulated depreciation				
Equipment	1,928,605	78,432	-	2,007,037
Business-Type Activities, Capital Assets - Net	\$ 268,677	\$ 74,811	\$ -	\$ 343,488

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 8. Capital Assets (Continued)

Depreciation on equipment was charged to functions/programs of the primary government as follows:

	Amounts
Governmental Activities:	
Instruction	\$ 3,288,094
Instructional student support	498,305
Administrative and financial support services	433,300
Operation and maintenance of plant services	315,888
Pupil transportation	201,791
Student activities	121,608
Other community services	1,026
Total governmental activities	<u>4,860,012</u>
Business-Type Activities	
Food service	78,432
Total School District	<u><u>\$ 4,938,444</u></u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations

A summary of the reporting entity's long-term obligations as of June 30, 2022, and transactions during the year then ended follows:

	July 1, 2021	Increases	Decreases	June 30, 2022	Due within one year
Governmental activities:					
Bonds and notes payable					
Series A of 2015	\$ 3,550,000	\$ -	\$ 1,125,000	\$ 2,425,000	\$ 1,155,000
Series of 2016	1,315,000	-	430,000	885,000	440,000
Series A of 2019	2,035,000	-	50,000	1,985,000	60,000
Series B of 2019	1,555,000	-	-	1,555,000	-
Series C of 2019	7,680,000	-	1,365,000	6,315,000	1,415,000
Series of 2021	4,815,000	-	175,000	4,640,000	165,000
Series A of 2021	1,015,000	-	1,000	1,014,000	1,000
Net premium on bonds	679,254	-	209,082	470,172	-
Total bonds and notes payable	22,644,254	-	3,355,082	19,289,172	3,236,000
Dauphin County Technical School					
lease obligation	2,576,151	-	192,071	2,384,080	200,402
Other lease obligations	775,321	601,268	368,761	1,007,828	380,477
Leases payable	-	235,389	77,164	158,225	78,322
Compensated absences	1,371,729	-	68,661	1,303,068	-
Total governmental activities					
long-term obligations	\$ 27,367,455	\$ 836,657	\$ 4,061,739	\$ 24,142,373	\$ 3,895,201
Business-type activities:					
Compensated absences	\$ 27,100	\$ 2,855	\$ -	\$ 29,955	\$ -
Total business-type activities					
long-term obligations	\$ 27,100	\$ 2,855	\$ -	\$ 29,955	\$ -

General Obligation Bonds - Series of 2015 - On February 19, 2015, the District authorized the issuance of General Obligation Bonds, Series of 2015, in the aggregate principal amount of \$9,995,000. The proceeds of the bonds were used to provide funds to: (1) the partial current refunding and redemption of the general obligation bonds, series A of 2010 of the District and (2) pay the costs of issuing the bonds. The refunding reduced total debt service payments by \$722,397 over the next 8 years. This resulted in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$686,114. The Bonds bore interest rates that were not to exceed 4.00%; the initial rate was 0.20%. The bonds were to mature serially in amounts ranging from \$105,000 to \$1,820,000 through 2023. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to fully refund these bonds.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

General Obligation Bonds - Series A of 2015 - On November 23, 2015, the District authorized the issuance of General Obligation Bonds, Series A of 2015, in the aggregate principal amount of \$6,120,000. The proceeds of the bonds were used to provide funds to: (1) advance refund a portion of the outstanding General Obligation Bonds, Series of 2008 of the District and (2) pay the costs of issuing the bonds. A portion of the proceeds was irrevocably deposited in an escrow fund maintained by Manufacturers and Traders Trust Company. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series 2008 bonds. As a result, a portion of the Series 2008 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds was \$5,875,000 at June 30, 2018, and this amount was paid in full during the year ending June 30, 2019. The advanced refunding reduced total debt service payments by \$712,639 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$674,897. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 1.00%. The bonds mature serially in amounts ranging from \$170,000 to \$2,230,000 through 2024. On January 25, 2021, the District issued General Obligation Note - Series of 2021 to partially refund these bonds.

General Obligation Bonds - Series of 2016 - On February 22, 2016, the District authorized the issuance of General Obligation Bonds, Series of 2016, in the aggregate principal amount of \$7,200,000. The proceeds of the bonds were used to provide funds for: (1) the current refunding of the general obligation bonds, series of 2011 of the District and (2) pay the costs of issuing the bonds. The refunding reduced total debt service payments by \$269,880 over the next 9 years. This results in an economic gain (difference between present value of the debt service payments on the old and new debt) of \$267,605. The Bonds bear interest rates that shall not exceed 4.00%; the initial rate is 0.37%. The bonds mature serially in amounts ranging from \$255,000 to \$1,360,000 through 2023.

General Obligation Notes - Series A of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series A of 2019, in the aggregate principal amount of \$3,310,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2012, of the District; (2) the current refunding of a portion of the outstanding General Obligation Bonds, Series A of 2012, of the District; (3) various capital projects of the District and (4) pay the costs of issuing the notes. The economic loss on the refunding of the 2012, and 2012A bonds was \$165,934. The Notes bear interest rates that shall not exceed 4.00%; the initial rate is 1.78%. The notes mature serially in amounts ranging from \$10,000 to \$1,685,000 through 2026. On January 25, 2021, the District issued General Obligation Bond - Series A of 2021 to partially refund these bonds.

General Obligation Notes - Series B of 2019 - On December 17, 2018, the District authorized the issuance of General Obligation Notes, Series B of 2019, in the aggregate principal amount of \$1,555,000. The proceeds of the notes were used to provide funds to: (1) various capital projects of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 3.5%. The notes are not subject to redemption prior to maturity and are scheduled to mature in May 2026.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

General Obligation Notes - Series C of 2019 - On December 20, 2019, the District authorized the issuance of General Obligation Notes, Series C of 2019, in the aggregate principal amount of \$9,030,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series of 2014, of the District and (2) pay the costs of issuing the bonds. The economic gain on the refunding of the 2014 bonds was \$421,150. The bonds bear interest rates that shall not exceed 4.00%, the initial rate is 1.20%. The bonds mature serially in amounts ranging from \$45,000 to \$3,380,000 through 2024.

General Obligation Notes - Series of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Notes, Series of 2021, in the aggregate principal amount of \$4,815,000. The proceeds of the notes were used to provide funds to: (1) the current refunding of the outstanding General Obligation Bonds, Series A of 2012, and Series of 2015, and a portion of the General Obligation Bonds, Series A of 2015, of the District and (2) pay the costs of issuing the notes. The Notes bear an interest rate of 1.38%. The Notes mature serially in amounts ranging from \$30,000 to \$2,625,000 through 2028.

General Obligation Bonds - Series A of 2021 - On January 25, 2021, the District authorized the issuance of General Obligation Bonds, Series A of 2021, in the aggregate principal amount of \$1,015,000. The proceeds of the Bonds were used to advance refund the District's outstanding General Obligation Notes, Series A of 2019 and to pay for the cost of issuance. A portion of the proceeds was irrevocably deposited in a trust with an escrow agent. These proceeds were used to purchase certain United States Treasury Securities, which will mature and earn interest to provide for all future debt service on the refunded portion of the Series A of 2019 bonds. As a result, a portion of the Series A of 2019 bonds are considered defeased and the District has removed a portion of the liability from its accounts. The outstanding principal of the defeased bonds is \$910,000 as of June 30, 2021. The economic loss on the refunding of the bonds was \$39,914. The Notes bear an interest rate of 1.25%. The bonds mature serially in amounts ranging from \$1,000 to \$1,010,000 through 2027.

The following is a schedule of principal and interest requirements to service the general long-term debt of the District:

Years	General Obligation Debt		
	Principal	Interest	Total
2023-2024	\$ 3,236,000	\$ 474,382	\$ 3,710,382
2024-2025	3,336,000	379,093	3,715,093
2025-2026	3,451,000	262,438	3,713,438
2026-2027	3,516,000	193,412	3,709,412
2027-2028	3,635,000	71,551	3,706,551
2029-2032	1,645,000	22,701	1,667,701
	<u>\$ 18,819,000</u>	<u>\$ 1,403,577</u>	<u>\$ 20,222,577</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

Lease Obligations - Dauphin County Technical School Lease Obligation

The Board authorized the incurring of lease rental debt in connection with the Dauphin County Technical School, by entering into an agreement of lease and guaranty with Dauphin County Technical School, dated March 15, 2007. The Technical School constructed improvements and renovations and acquired equipment for the Technical School and has financed it by issuing \$24,750,000 in School Lease Revenue Bonds, Series of 2007, dated March 15, 2007. These bonds were refinanced by the issuance of Series of 2015, dated March 15, 2015, in the amount of \$19,005,000. This debt is supported by the full faith, credit and taxing power of the seven-member school districts who participate in the Technical School. Derry Township School District's original share of this debt was \$3,170,034, which was based on the market valuation of all taxable real property in each school district.

The following is a schedule of principal and interest requirements to service the Lease Obligations - Dauphin County Technical School Bond requirements of the District:

Years	Vo-Tech Lease Obligation		
	Principal	Interest	Total
2023-2024	\$ 200,402	\$ 87,757	\$ 288,159
2024-2025	208,787	79,291	288,078
2025-2026	218,010	70,381	288,391
2026-2027	227,234	60,974	288,208
2027-2028	237,296	51,043	288,339
2028-2031	1,292,351	94,673	1,387,024
	<u>\$ 2,384,080</u>	<u>\$ 444,119</u>	<u>\$ 2,828,199</u>

Leases Payable

The District leases equipment for certain District offices and buildings. The remaining lease term is for two years. The District's equipment leases contain scheduled monthly payments with expiration dates extending through 2024. Leases payables are fully funded by the general fund.

The following is a schedule of future minimum lease payments for leases with initial or remaining terms in excess of one year as of June 30, 2022:

Year ending June 30:	Principal	Interest	Total Payments
2023	\$ 78,322	\$ 2,449	\$ 80,771
2024	79,903	868	80,771
	<u>\$ 158,225</u>	<u>\$ 3,317</u>	<u>\$ 161,542</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 9. Long-Term Obligations (Continued)

Compensated Absences

Under the terms of the District's employment policies, employees are reimbursed for accrued vacation upon retirement or other termination of employment. The reimbursement rate is established by the employment contract and varies by employee classification. In addition, employees are granted sick days per school year, and any unused sick days are permitted to be carried over to future years. Upon retirement from the District, employees are reimbursed for accumulated sick days equal to the number of unused days multiplied by an amount established by the employment contract. The employees are also offered options regarding retirement payouts as prescribed in the contract if certain conditions are met. The total liability for accrued vacation, sick leave and retirement bonuses has been reflected in the Statement of Net Position.

Other Lease Obligations

The District leases computers which are located throughout the District. The related lease agreements qualify as capital leases, and accordingly, these transactions are recorded at the present values of related future, minimum lease payments as of the inception date. All lease-purchase obligations are funded by the General Fund.

The assets acquired through capital leases are as follows:

	Amount
Assets	
Computers	\$ 2,685,004
Less accumulated depreciation	(1,677,176)
Total computers - net book value	<u>\$ 1,007,828</u>

The following is a schedule of the future, minimum lease payments due under the lease-purchase obligations as of June 30, 2022:

Years	Amount
2022-2023	\$ 380,480
2023-2024	326,716
2024-2025	150,316
2025-2026	150,316
Total present value of minimum lease payments	<u>\$ 1,007,828</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan

Plan Description

PSERS (Pennsylvania Public School Employee's Retirement System or the System) is a governmental cost sharing multiple-employer defined benefit pension plan that provides retirement benefits to public school employees of the Commonwealth of Pennsylvania. The members eligible to participate in the System include all full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. PSERS issues a publicly available financial report that can be obtained at www.psers.pa.gov.

Benefits Provided

PSERS provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (Act 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes: Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service. For members, whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon membership class, of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan (Continued)

Benefits Provided (Continued)

Death benefits are payable upon the death of an active member who has reached age 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

Contributions

Member Contributions:

The contribution rates based on qualified member compensation for virtually all members are presented below:

Member Contribution Rates				
Membership Class	Continuous Employment Since	Defined Benefit (DB) Contribution Rate	DC Contribution Rate	Total Contribution Rate
T- C	Prior to July 22, 1983	5.25%	N/A	5.25%
				6.25%
T- C	On or after July 22, 1983	6.25%	N/A	6.25%
T- D	Prior to July 22, 1983	6.50%	N/A	6.50%
T- D	On or after July 22, 1983	7.50%	N/A	7.50%
T- E	On or after July 1, 2011	7.50% base rate with shared risk provision	N/A	7.50%
T- F	On or after July 1, 2011	10.30% base rate with shared risk provision	N/A	10.30%
T- G	On or after July 1, 2019	5.50% base rate with shared risk provision	2.75%	8.25%
T- H	On or after July 1, 2019	4.50% base rate with shared risk provision	3.00%	7.50%
DC	On or after July 1, 2019	N/A	7.50%	7.50%
Shared Risk Program Summary				
Membership Class	Defined Benefit (DB) Base Rate	Shared Risk Increment	Minimum	Maximum
T- E	7.50%	+ / - 0.50%	5.50%	9.50%
T- F	10.30%	+ / - 0.50%	8.30%	12.30%
T- G	5.50%	+ / - 0.75%	2.50%	8.50%
T- H	4.50%	+ / - 0.75%	1.50%	7.50%

Employer Contributions:

The District's contractually required contribution rate for the fiscal year ended June 30, 2022, was 34.14% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Included in the District's contractually required contribution rate is the Act 5 contribution rate totaling an estimated .15%).

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan (Continued)

Contributions (Continued)

Employer Contributions (Continued):

The District is required to pay the entire contribution and will be reimbursed by the Commonwealth in an amount equal to the Commonwealth's share as determined by the income aid ratio (as defined in Act 29 of 1994), which is at least one-half of the total District's rate. The District's contributions to the Plan, relating to pension benefits, for the year ended June 30, 2022, was \$10,183,128, and is equal to the required contribution for the year. For the year ended June 30, 2022, the District recognized gross retirement subsidy revenue from the Commonwealth in the amount of \$5,277,736.

Pension Liabilities, Pension Expense, Deferred Outflows/Inflows of Resources Related to Pensions

At June 30, 2022, the District reported a liability of \$84,545,000 for its proportionate share of the net pension liability. 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 rolling forward the System's total pension liability as of June 30, 2020 to June 30, 2021. The District's proportion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2022, the District's reported proportion was .2057%, which was an decrease of .0018% from its proportion reported as of June 30, 2021.

For the year ended June 30, 2022, the District recognized pension expense of \$6,464,547. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 62,000	\$ 1,110,000
Changes in assumptions	4,096,000	-
Net difference between projected and actual investment earnings	-	13,443,000
Changes in proportion	260,000	745,000
Difference between employer contributions and proportionate share of total contributions	71,000	-
Contributions subsequent to the measurement date	10,183,000	-
	<u>\$ 14,672,000</u>	<u>\$ 15,298,000</u>

\$10,183,000 is reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30:	Total
2023	\$ (2,747,000)
2024	(1,889,000)
2025	(1,837,000)
2026	(4,336,000)
	<u>\$ (10,809,000)</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan (Continued)

Actuarial Assumptions

The total pension liability as of June 30, 2021, was determined by rolling forward the System's total pension liability as of June 30, 2020 to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation Date - June 30, 2020
- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 7.00%, includes inflation at 2.50%.
- Salary growth - Effective average of 4.50%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- The discount rate used to measure the Total Pension Liability decreased from 7.25% as of June 30, 2020 to 7.00% as of June 30, 2021.

The actuarial assumptions used in the June 30, 2021 valuation, were based on the results of an actuarial experience study that was performed for the five-year period ended June 30, 2020.

Investments

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

For the year ended June 30, 2021, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was 24.58%. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan (Continued)

Investments (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global public equity	27.0%	5.2%
Fixed income	35.0%	1.8%
Commodities	10.0%	2.0%
Absolute return	8.0%	3.1%
Infrastructure/MLPs	8.0%	5.1%
Real estate	10.0%	4.7%
Private equity	12.0%	7.3%
Cash	3.0%	0.1%
Financing (LIBOR)	(13.0%)	0.1%
	<u>100.0%</u>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class as of June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 10. Defined-Benefit Pension Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability, calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1- percentage-point higher (8.00%) than the current discount rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	\$ 110,849,000	\$ 84,454,000	\$ 62,188,000

Pension Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

Plan Payables

At June 30, 2022, the District reported a payable to PSERS of \$3,400,905, which represents the employer contributions owed to the pension plan.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - District's Single Employer Plan

Plan Description, Benefit Terms and Funding Policy

The District provides retiree health, vision and dental care benefits, including prescription drug coverage, to eligible, retired employees and qualified spouses/beneficiaries. This is a single-employer, defined-benefit plan administered by the District. The District funds OPEB on a pay-as-you go basis, and there is no obligation to make contributions in advance of when insurance premiums or claims are due for payment. The District does not maintain or accumulate any assets within a trust in accordance with paragraph 4 of GASB Statement No. 75. The plan description and benefit terms provided by the Plan are summarized in the chart below:

GROUP	ELIGIBILITY	COVERAGE AND PREMIUM SHARING	DURATION
I. ADMINISTRATORS & ACT 93			
A) Retired prior to July 1, 2016	N/A - Already retired	Coverage: Medical, Prescription Drug, Dental and Vision coverage for Retiree and Spouse (if spouse has no other coverage) Premium Sharing: Fully paid by District	Retiree and Spouse coverage is provided until Retiree is eligible for Medicare or until Retiree's death, whichever is earlier.
B) Retire on or after July 1, 2016	Age 57 with 20 years of PSERS service and 5 years of service within DTSD	Coverage: Medical and Prescription Drug coverage for Retiree and Spouse (if spouse has no other coverage) Premium Sharing: Group 1 (Principals, Directors, Assistant Superintendent): The premium sharing for Medical and Prescription Drug coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate Group 2 (Admin Support Staff, Computer Techs): The premium sharing for Medical and Prescription Drug coverage is set at 9% (4.5% if participating in Wellness program) of the previous school year's full COBRA rate.	Same as IA
II. TEACHERS UNION			
	Age 57 with 20 years of PSERS service and 15 years of service within DTSD	Coverage: Medical, Prescription Drug and Vision (Vision coverage is 30+ years of service with DTSD) coverage for Retiree and Spouse (Spousal Coverage Surcharge may apply) Premium Sharing: The premium sharing for Medical and Prescription Drug coverage is set at 12% (6% if participating in Wellness program) of the previous school year's full COBRA rate Vision coverage is fully paid by the District	Same as IA
III. NON PROFESSIONAL UNION			
	Act 110/43	Act 110/43	Coverage is provided until Retiree is eligible for Medicare or until Retiree's death, whichever is earlier. Spouse coverage ends at Spouse Medicare eligibility if earlier than above.

Notes:

Act 110/43 Eligibility: All employees are eligible for this benefit upon retirement with 30 years of PSERS service or upon superannuation retirement.

Act 110/43 Coverage and Premium Sharing: Retired employees are allowed to continue coverage for themselves and their dependents in the employer's group health plan until the retired employee reached Medicare age. In order to obtain coverage, retired employees must provide payment equal to the premium determined for the purpose of COBRA.

PSERS Superannuation Retirement:

- 1) Pension Class T-C or T-D: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 62 with 5 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 60 with 30 years of PSERS service, age 62 with 1 year of PSERS service of 35 years of PSERS service regardless of age. In general, these pension classes apply to individuals who were members of PSERS prior to July 1, 2011.
- 2) Pension Class T-E or T-F: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 65 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 65 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 92 with a minimum of 35 years of PSERS service. In general, these pension classes apply to individuals who became members of PSERS on or after July 1, 2011 and prior to July 1, 2019.
- 3) Pension Class T-G: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS service or upon attainment of a total combination of age plus service equal to or greater than 97 with a minimum of 35 years of PSERS service. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.
- 4) Pension Class T-H: An employee is eligible for PSERS retirement if he (or she) is eligible for either: i) PSERS early retirement while under 67 with 10 years of PSERS Service or ii) PSERS superannuation retirement upon reaching age 67 with 3 years of PSERS. In general, this pension class applies to individuals who became members of PSERS on or after July 1, 2019.

Coordination with Medicare: Plan benefits pay secondary to Medicare

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Employees Covered by Benefit Terms

As of the July 1, 2020 actuarial valuation, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	14
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	409
	<u>423</u>

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2022, the District reported a liability of \$8,401,391 for the total OPEB liability. The total OPEB liability was measured as of July 1, 2021, and was determined by an actuarial valuation as of July 1, 2020. The OPEB liability is composed of the following:

	Amount
Total OPEB Liability, beginning	<u>\$ 8,089,860</u>
Changes for the year	
Service cost	639,225
Interest	159,953
Changes in assumptions	(248,645)
Estimated benefit payments	<u>(239,002)</u>
Net changes	311,531
Total OPEB Liability, ending	<u>\$ 8,401,391</u>

For the year ended June 30, 2022, the District recognized OPEB expense of \$465,047. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,060,291
Changes in assumptions	3,247	2,434,799
Benefit payments subsequent to the measurement date	239,476	-
	<u>\$ 242,723</u>	<u>\$ 3,495,090</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

Of the total amount reported as deferred outflows of resources related to OPEB, \$239,476 resulting from District benefit payments subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District's OPEB expense as follows:

Year ending June 30:	Total
2023	\$ (334,131)
2024	(334,131)
2025	(334,131)
2026	(334,131)
2027	(334,131)
Thereafter	(1,821,188)
	<u>\$ (3,491,843)</u>

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of July 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

- Inflation - 2.5%.
- Salary Increases - 2.5% cost of living adjustment, 1% real wage growth and for teachers and administrators a merit increase which varies by age from 2.75 to 0%.
- Discount Rate - 2.28%. Based on S&P Municipal Bond 20 Year High Grade Rate Index at July 1, 2021.
- Health Care Cost Trend Rate - 5.5% in 2020 through 2023. Rates gradually decrease from 5.4% in 2024, to 4.0% in 2075, and later based on the Society of Actuaries Long-Run Medical Cost Trend Model.
- Retirees' Share of Benefit-Related Costs - Retiree contributions are assumed to increase at the same rate as the Health Care Cost Trend Rate.
- Mortality rates are separate and assumed preretirement and postretirement using the rates assumed in the PSERS defined benefit pension plan actuarial valuation. Incorporated into the table are rates projected generationally by the Buck Modified 2016 projection scale to reflect mortality improvement.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 11. Other Post-Employment Benefits - District's Single Employer Plan (Continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the district calculated using the discount rate of 2.28%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower (1.28%) or one-percentage-higher (3.28%) than the current discount rate:

	1% Decrease 1.28%	Current Discount Rate 2.28%	1% Increase 3.28%
Total OPEB liability	\$ 9,000,081	\$ 8,401,391	\$ 7,827,628

The discount rate used to measure the total OPEB liability decreased from 1.86% as of July 1, 2020, to 2.28% as of July 1, 2021.

Sensitivity of the District's Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the district calculated using the health care cost trend rates of (5.5% decreasing to 4.0%), as well as what the total OPEB liability would be if it were calculated using a health care cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 7,379,035	\$ 8,401,391	\$ 9,611,643

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan

Plan Description

PSERS administers a defined benefit pension plan, and two post-employment healthcare programs, the Health Insurance Premium Assistance Program (Premium Assistance) and the Health Options Program (HOP) for its retirees. The HOP is a PSERS sponsored voluntary health insurance program for the sole benefit of PSERS retirees, spouses of retirees, and survivor annuitants and their dependents who participate in HOP. The HOP is funded exclusively by the premiums paid by its participants for the benefit coverage they elect.

The System provides Premium Assistance which, is a governmental cost sharing, multiple-employer other post-employment benefit plan (OPEB) for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Retirees of the System can participate in Premium Assistance if they satisfy the following criteria:

- Have 24 ½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health.

Benefits Provided

Participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSERS' Health Options Program. As of June 30, 2021, there were no assumed future benefit increases to participating eligible retirees

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Employer Contributions

The Districts' contractually required contribution rate for the fiscal year ended June 30, 2022, was 0.80% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the OPEB plan from the District were \$238,494 for the year ended June 30, 2022.

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

At June 30, 2022, the District reported a liability of \$4,871,000 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2020 to June 30, 2021. The District's proportion of the net OPEB liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At June 30, 2022, the District's reported proportion was .2055%, which was a decrease of .0023% from its proportion reported as of June 30, 2021.

For the year ended June 30, 2022, the District recognized OPEB expense of \$316,100. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 45,000	\$ -
Changes in assumptions	519,000	65,000
Net difference between projected and actual investment earnings	10,000	-
Changes in proportion	84,000	43,000
Difference between employer contributions and proportionate share of total contributions	6,900	100
Contributions subsequent to the measurement date	239,000	-
	<u>\$ 903,900</u>	<u>\$ 108,100</u>

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

OPEB Liabilities, OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

\$239,000 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:	Amount
2023	\$ 103,600
2024	103,700
2025	126,200
2026	94,100
2027	71,200
Thereafter	58,000
	<u>\$ 556,800</u>

Actuarial Assumptions

The Total OPEB Liability as of June 30, 2021, was determined by rolling forward the System's Total OPEB Liability as of June 30, 2020 to June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

- Valuation Date - June 30, 2020.
- Actuarial cost method - Entry Age Normal - level % of pay.
- Investment return - 2.18% - S&P 20 Year Municipal Bond Rate.
- Salary growth - Effective average of 4.5%, comprised of inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases.
- Premium Assistance reimbursement is capped at \$1,200 per year.
- Assumed Healthcare cost trends were applied to retirees with less than \$1,200 in premium assistance per year.
- Mortality rates were based on a blend of 50% PubT-2010 and 50% PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2020 Improvement Scale.
- Participation rate:
 - Eligible retirees will elect to participate Pre age 65 at 50%
 - Eligible retirees will elect to participate Post age 65 at 70%
- The discount rate used to measure the total OPEB liability decreased from 2.66% as of June 30, 2020 to 2.18%, as of June 30, 2021.

The actuarial assumptions used in the June 30, 2020 valuation, were based on the results of an actuarial experience study that was performed for the five-year period ending June 30, 2015.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Actuarial Assumptions (Continued)

The following assumptions were used to determine the contribution rate:

- The results of the actuarial valuation as of June 30, 2019, determined the employer contribution rate for fiscal year 2021.
- Cost Method: Amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date.
- Asset valuation method: Market Value.
- Participation rate: 63% of eligible retirees are assumed to elect premium assistance.
- Mortality Tables for Males and Females, adjusted to reflect PSERS' experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Investments

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regard to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	79.8%	0.1%
U.S. Core Fixed Income	17.5%	0.7%
Non-U.S. Developed Fixed	2.7%	-0.3%
	<u>100.0%</u>	

The above was the Board's adopted asset allocation policy and best estimates of geometric real rates of return for each major asset class of June 30, 2021.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Discount Rate

The discount rate used to measure the Total OPEB Liability was 2.18%. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments, therefore the plan is considered a "pay-as-you-go" plan. A discount rate of 2.18% which represents the S&P 20-year Municipal Bond Rate at June 30, 2021, was applied to all projected benefit payments to measure the total OPEB liability.

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net OPEB liability, calculated using the discount rate of 2.18%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (1.18%) or one percentage point higher (3.18%) than the current discount rate:

	1% Decrease 1.18%	Current Discount Rate 2.18%	1% Increase 3.18%
District's proportionate share of the net OPEB liability	\$ 5,590,000	\$ 4,871,000	\$ 4,279,000

Sensitivity of the District's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the District's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates (between 5% to 7%) that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 4,871,000	\$ 4,871,000	\$ 4,872,000

OPEB Plan Fiduciary Net Position

Detailed information about PSERS' fiduciary net position is available in PSERS Comprehensive Annual Financial Report which can be found on the System's website at www.psers.pa.gov.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 12. Other Post-Employment Benefits - PSERS Cost Sharing Plan (Continued)

Plan Payables

At June 30, 2022, the District reported a payable to PSERS of \$79,693 which represents the employer contributions owed to the OPEB plan.

Note 13. Act 93 Employee Annuity

The District provides all Act 93 employees with a tax-sheltered annuity. The District provides a \$0.50 contribution to each \$1.00 of employee contribution, up to a maximum District contribution of \$2,500. The District contributed \$40,960 to the Plan for the year ended June 30, 2022.

Note 14. Risk Management

The policy of the District is to not purchase health and vision insurance for the risks of losses to which it is exposed. Instead, the District's management policy is that it is more economical to manage its risks internally. The District pays all claims for risk of loss which the District is exposed, including medical, dental, drug and vision claims, which are administered by third parties. The District has purchased stop loss insurance from commercial insurers that will reimburse the District for 100% of all medical claims over \$170,000 per year per participant with exceptions. The District will also receive a stop loss reimbursement of 100% for all aggregate medical claims which exceed \$7,346,362, adjusted upward based on participation, for the year.

Liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. Liabilities include the amount for claims that have been incurred but not reported. Because of delays between the time a claim is incurred, and it is reported to the District for payment, the estimated liability does not necessarily result in an exact amount. A current net liability has been included in accrued salaries and benefits of the General Fund for claims reported but not paid by June 30, 2022, plus accrued teachers summer benefits, which both amount to \$389,595. The current year's asset is due to stop loss reimbursements in excess of incurred but not reported claim amounts at year end. Changes in the District's claims liability (asset) amount for the year ended June 30, 2022, were:

	Amount
Liability (asset) - beginning of year	\$ 328,313
Current year claims and changes in estimates	(7,037,160)
Less - claim payments	7,098,442
Liability (asset) - end of year	<u><u>\$ 389,595</u></u>

The District continues to carry commercial insurance for all other risks of loss, including workers compensation, liability and property and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO FINANCIAL STATEMENTS

Note 15. Contingent Liabilities

The District is subject to real estate tax assessment appeals on an ongoing basis. If tax appeals are successful, the result is a loss of tax revenue to the District. It is anticipated that any material loss of tax revenue on individual tax appeals will be offset with additional revenues from other properties or other sources of revenue and would not create a financial hardship to the District.

The District is involved in various lawsuits in the normal course of operations. Management cannot predict the outcome of the lawsuits or estimate the amount of any loss that may result. Accordingly, no provision for any contingent liabilities that may result have been made in the financial statements. Management believes that losses resulting from these matters, if any, would be covered under the District's professional liability insurance policy and would not have a material effect on the financial position of the District.

The District participates in numerous state and Federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2022, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

REQUIRED SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

For the Fiscal Year Ended June 30	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2022	0.2057%	\$ 84,454,000	\$ 29,135,309	289.87%	63.6700%
2021	0.2075%	\$ 102,171,000	\$ 29,160,738	350.37%	54.32%
2020	0.2079%	\$ 97,261,000	\$ 28,675,998	339.17%	55.66%
2019	0.2057%	\$ 98,746,000	\$ 27,704,050	356.43%	54.00%
2018	0.2010%	\$ 99,271,000	\$ 26,765,017	370.90%	51.84%
2017	0.1986%	\$ 98,420,000	\$ 25,724,950	382.59%	50.14%
2016	0.1945%	\$ 84,248,000	\$ 25,960,380	324.53%	54.36%
2015	0.1941%	\$ 76,826,271	\$ 25,071,493	306.43%	57.24%

The amounts presented for each fiscal year were determined as of the measurement date, which is one year prior to the fiscal year end.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF DISTRICT'S PENSION CONTRIBUTIONS - PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 10,183,128	\$ (10,183,128)	-	\$ 29,253,057	34.81%
2021	\$ 9,832,087	\$ (9,832,087)	-	\$ 29,192,061	33.68%
2020	\$ 9,732,247	\$ (9,732,247)	-	\$ 29,282,177	33.24%
2019	\$ 9,341,769	\$ (9,341,769)	-	\$ 28,770,520	32.47%
2018	\$ 8,807,160	\$ (8,807,160)	-	\$ 27,758,265	31.73%
2017	\$ 7,827,296	\$ (7,827,296)	-	\$ 25,724,950	30.43%
2016	\$ 6,490,095	\$ (6,490,095)	-	\$ 25,960,380	25.00%
2015	\$ 5,139,656	\$ (5,139,656)	-	\$ 25,071,493	20.50%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

**REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULES OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS -
DISTRICT'S SINGLE EMPLOYER PLAN**

For the Fiscal Year Ended June 30,

	2022	2021	2020	2019	2018
Total OPEB liability					
Service cost	\$ 639,225	\$ 723,366	\$ 725,598	\$ 733,487	\$ 740,774
Interest	159,953	351,487	296,918	319,081	246,678
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(473,399)	-	(952,930)	-
Changes in assumptions	(248,645)	(2,156,167)	(295,392)	4,691	(238,941)
Benefit payments	(239,002)	(202,912)	(256,866)	(410,001)	(505,336)
Other Changes	-	-	-	-	-
Net change in total OPEB liability	311,531	(1,757,625)	470,258	(305,672)	243,175
Total OPEB Liability - beginning	8,089,860	9,847,485	9,377,227	9,682,899	9,439,724
Total OPEB Liability - ending	\$ 8,401,391	\$ 8,089,860	\$ 9,847,485	\$ 9,377,227	\$ 9,682,899
Covered payroll	\$ 26,015,946	\$ 26,015,946	\$ 24,914,381	\$ 24,914,381	\$ 24,053,671
Net OPEB liability as a percentage of covered payroll	32.29%	31.10%	39.53%	37.64%	40.26%

Notes to Schedule:

For the fiscal year ended June 30, 2022:

Changes in assumptions: The discount rate changed from 1.86% to 2.28%.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY - PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

For the Fiscal Year Ended June 30	District's Proportion of the Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2022	0.2055%	\$ 4,871,000	\$ 29,135,309	16.72%	5.30%
2021	0.2078%	\$ 4,490,000	\$ 29,160,738	15.40%	5.69%
2020	0.2079%	\$ 4,422,000	\$ 28,675,998	15.42%	5.56%
2019	0.2057%	\$ 4,289,000	\$ 27,704,050	15.48%	5.56%
2018	0.2010%	\$ 4,095,000	\$ 26,765,017	15.30%	5.73%

The amounts presented for each fiscal year were determined as of the measurement date, which is one year prior to the fiscal year end.

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

DERRY TOWNSHIP SCHOOL DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF DISTRICT'S OPEB CONTRIBUTIONS - PENNSYLVANIA PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

For the Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2022	\$ 238,494	\$ (238,494)	\$ -	\$ 29,253,057	0.82%
2021	\$ 239,309	\$ (239,309)	\$ -	\$ 29,192,061	0.82%
2020	\$ 244,397	\$ (244,397)	\$ -	\$ 29,282,177	0.83%
2019	\$ 237,843	\$ (237,843)	\$ -	\$ 28,770,520	0.83%
2018	\$ 230,307	\$ (230,307)	\$ -	\$ 27,758,265	0.83%

The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is shown.

SUPPLEMENTARY INFORMATION

DERRY TOWNSHIP SCHOOL DISTRICT**COMBINING BALANCE SHEET - CAPITAL PROJECTS FUNDS****June 30, 2022**

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Assets			
Cash and cash equivalents	\$ 1,794,411	\$ 4,517,715	\$ 6,312,126
Due from other funds	1,340,000	399,454	1,739,454
Total assets	\$ 3,134,411	\$ 4,917,169	\$ 8,051,580
Liabilities			
Accounts payable	\$ -	\$ 17,430	\$ 17,430
Due to other funds	-	1,340,000	1,340,000
Total liabilities	-	1,357,430	1,357,430
Fund Balances			
Restricted	3,134,411	3,559,739	6,694,150
Total fund balances	3,134,411	3,559,739	6,694,150
Total liabilities and fund balances	\$ 3,134,411	\$ 4,917,169	\$ 8,051,580

DERRY TOWNSHIP SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS Year Ended June 30, 2022

	Capital Projects Fund	Capital Reserve Fund	Total Capital Projects Fund
Revenues			
Local sources	\$ 3,016	\$ 6,368	\$ 9,384
Total revenues	<u>3,016</u>	<u>6,368</u>	<u>9,384</u>
Expenditures			
Support services	-	337,907	337,907
Total expenditures	<u>-</u>	<u>337,907</u>	<u>337,907</u>
Other Financing Sources			
Interfund transfers in	-	1,000,000	1,000,000
Total other financing sources	<u>-</u>	<u>1,000,000</u>	<u>1,000,000</u>
Net changes in fund balances	3,016	668,461	671,477
Fund Balances - July 1, 2021	3,131,395	2,891,278	6,022,673
Fund Balances - June 30, 2022	<u>\$ 3,134,411</u>	<u>\$ 3,559,739</u>	<u>\$ 6,694,150</u>

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Derry Township School District (District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 10, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink, reading "Boyer & Fitter". The signature is written in a cursive, flowing style with a large loop at the end.

Camp Hill, Pennsylvania
February 10, 2023

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

Board of School Directors
Derry Township School District
Hershey, Pennsylvania

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Derry Township School District's (District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the year ended June 30, 2022. The District's major Federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District's complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

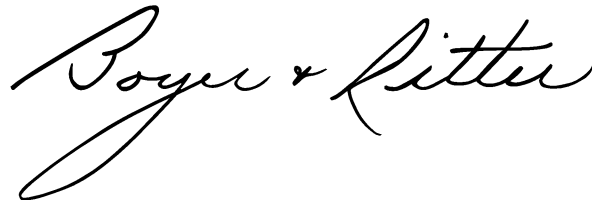
Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Boyer & Fitter". The signature is written in black ink and is centered on the page.

Camp Hill, Pennsylvania
February 10, 2023

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended 2021

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiency (ies) identified that is not considered to be a material weakness (es)? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness (es) identified? _____ Yes X No
- Significant deficiency (ies) identified that is not considered to be a material weakness (es)? _____ Yes X None Reported

Type of auditor's report issued on compliance for the major programs: Unmodified

- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)3? _____ Yes X No

DERRY TOWNSHIP SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
Year ended June 30, 2021

Section I -- Summary of Auditor's Results (Continued)

Identification of the major programs:

CFDA Number(s)	Name of Federal Programs/Cluster
	Child Nutrition Cluster
84.425	Elementary & Secondary School Emergency Relief Fund (CARES Act)
84.425	Elementary & Secondary School Emergency Relief Fund (ARP) Learning Loss

Dollar threshold used to distinguish between
type A and type B programs

\$750,000

Auditee qualified as low-risk auditee?

 X Yes No

Section II -- Financial Statement Findings

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the financial statement audit required to be reported.

B. Compliance Findings

There were no compliance findings relating to the financial statement audit required to be reported.

Section III -- Federal Award Findings and Questioned Costs

A. Significant Deficiency(ies) in Internal Control

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

B. Compliance Findings

There were no findings relating to the Federal awards as required to be reported in accordance with section 2 CFR 200.516(a) of the Uniform Guidance.

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2022

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2020	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2021	Provided to Subrecipients
U.S. Department of Education										
Passed through the Pennsylvania Department of Education										
Title I - Grants to Local Educational Agencies	84.010	013-22-0118	21-22	\$ 648,322	\$ 645,016	\$ -	\$ 648,322	\$ 648,322	\$ 3,306	\$ -
Title II - Supporting Effective Instruction State Grants	84.367	020-21-0118	20-21	\$ 123,707	(1,441)	(1,441)	-	-	-	-
Title II - Supporting Effective Instruction State Grants	84.367	020-22-0118	21-22	\$ 124,803	88,670	-	124,803	124,803	36,133	-
					87,229	(1,441)	124,803	124,803	36,133	-
Title IV - Student Support and Academic Enrichment Program	84.424	144-22-0118	21-22	\$ 44,172	44,146	-	44,172	44,172	26	-
Elementary & Secondary School Emergency Relief Fund (CARES Act)	84.425	200-21-0118	20-23	\$ 2,169,036	1,614,166	-	2,169,036	2,169,036	554,870	-
Elementary & Secondary School Emergency Relief Fund (ARP) - ESSER III	84.425	223-21-0118	20-24	\$ 4,387,331	319,079	-	-	-	(319,079)	-
Elementary & Secondary School Emergency Relief Fund (ARP) Learning Loss	84.425	225-21-0118	20-24	\$ 340,993	30,999	-	68,198	68,198	37,199	-
COVID-19 - Impact Mitigation Grant (SECIM)	84.027	FA-252-20-0118	20-21	\$ 18,550	12,367	-	12,367	12,367	-	-
COVID-19 - Supply Chain Assistance	10.555	N/A	21-22	N/A	70,269	-	6,034	6,034	(64,235)	-
COVID-19 - SNP Emergency Costs	10.555	N/A	21-22	N/A	36,901	-	36,901	36,901	-	-
P_EBT Local Admin Funds	10.649	N/A	21-22	N/A	614	-	614	614	-	-
ARP ESSER Homeless Children and Youth	84.425	181-21-2119	21-24	\$ 17,851	915	-	-	-	(915)	-
Total passed through the Pennsylvania Department of Education					2,861,701	(1,441)	3,110,447	3,110,447	247,305	-
Passed through the Capital Area Intermediate Unit										
Special Education Cluster (IDEA)										
Special Education Grants to States	84.027	062-200015	20-21	\$ 400,454	400,454	400,454	-	-	-	-
Special Education Grants to States	84.027	062-200015	21-22	\$ 382,714	382,714	-	382,714	382,714	-	-
					783,168	400,454	382,714	382,714	-	-
Special Education Preschool Grants	84.173	131-200015	20-21	\$ 3,136	3,136	3,136	-	-	-	-
Special Education Preschool Grants	84.173	131-200015	21-22	\$ 2,330	2,330	-	2,330	2,330	-	-
					5,466	3,136	2,330	2,330	-	-
Total Special Education Cluster passed through the Capital Area Intermediate Unit					788,634	403,590	385,044	385,044	-	-
Total U.S. Department of Education					3,650,335	402,149	3,495,491	3,495,491	247,305	-

(Continued)

DERRY TOWNSHIP SCHOOL DISTRICT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
Year Ended June 30, 2022

	Assistance Listing Number	Pass Through Grantor's Number	Grant Period	Program or Annual Award	Total Received (Refunded) for the Year	Accrued or (Deferred) Revenue at July 1, 2020	Revenue Recognized	Expenditures Recognized	Accrued or (Deferred) Revenue June 30, 2021	Provided to Subrecipients
U.S. Department of Health and Human Services										
Passed through the Pennsylvania Department of Public Welfare										
Medicaid Cluster										
Medical Assistance Program: Title XIX	93.778	N/A	20-21	N/A	17,299	-	17,299	17,299	-	-
Total Medicaid Cluster					17,299	-	17,299	17,299	-	-
Total U.S. Department of Health and Human Services					17,299	-	17,299	17,299	-	-
U.S. Department of Agriculture										
Passed through the Pennsylvania Department of Education										
School Breakfast Program	10.553	N/A	20-21	N/A	22,011	22,011	-	-	-	-
School Breakfast Program	10.553	N/A	21-22	N/A	200,346	-	245,287	245,287	44,941	-
					222,357	22,011	245,287	245,287	44,941	-
National School Lunch Program	10.555	N/A	20-21	N/A	59,102	59,102	-	-	-	-
National School Lunch Program	10.555	N/A	21-22	N/A	1,222,447	-	1,434,005	1,434,005	211,558	-
					1,281,549	59,102	1,434,005	1,434,005	211,558	-
Passed through the Pennsylvania Department of Agriculture										
National School Lunch Program - Food Donations	10.555	N/A	21-22	N/A	122,406 (a)	(34,328) (b)	122,406	153,385 (c)	(34,328) (d)	-
Total U.S. Department of Agriculture					1,626,312	46,785	1,801,698	1,832,677	222,171	-
U.S. Department of Treasury										
Passed through the Pennsylvania Commission on Crime & Delinquency										
COVID-19 - Elementary and Secondary School Emergency Relief Fund	84.425D	2020-ES-01-35307	20-21	\$ 108,186	108,186	108,186	-	-	-	-
Total U.S. Department of Treasury					108,186	108,186	-	-	-	-
Total Expenditures of Federal Awards					\$ 5,402,132	\$ 557,120	\$ 5,314,488	\$ 5,345,467	\$ 469,476	\$ -
Child Nutrition Cluster (Assistance Listing Numbers - 10.553 and 10.555)					\$ 1,733,482	\$ 46,785	\$ 1,844,633	\$ 1,875,612	\$ 157,936	\$ -
Special Education Cluster (Assistance Listing Numbers - 84.027 and 84.173)					\$ 801,001	\$ 403,590	\$ 397,411	\$ 397,411	\$ -	\$ -
Education Stabilization Fund (Assistance Listing Numbers - 84.425)					\$ 2,073,345	\$ 108,186	\$ 2,237,234	\$ 2,237,234	\$ 272,075	\$ -
See Notes to Schedule of Expenditures of Federal Awards.										

DERRY TOWNSHIP SCHOOL DISTRICT

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Note 1. Basis of Presentation

The accompanying schedule of expenditures of Federal awards includes the Federal award activity of the District's under programs of the Federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the District's operations, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2. Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Revenue is recognized when earned, and expenses are recognized when incurred. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available. The District has not elected to use the 10% de Minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Access Program

The ACCESS Program is a medical assistance program that reimburses local education agencies for direct, eligible health-related services provided to enrolled special needs students. ACCESS reimbursements are Federal monies but are classified as fee-for-service revenues and are not considered Federal financial assistance and are not included on the Schedule. The amount of ACCESS funding expended, but not included on the Schedule, for the year ended June 30, 2022, was \$378,487.

DERRY TOWNSHIP SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR YEAR'S AUDIT FINDINGS
Year Ended June 30, 2022

There were no prior year's audit findings.



Western Governors University

4001 South 700 East, Suite 700, SLC, UT 84107

CLINICAL EXPERIENCE AGREEMENT

This Clinical Experience Agreement (Agreement) is made between Western Governors University, a Utah nonprofit corporation (University or WGU), and Derry Township School District, a public school system with its principal place of business located at 30 East Granada Avenue, Hershey, Pennsylvania 17033 (District), and is effective as of the date of District's signature below (Effective Date). WGU and District may be referred to individually as a "Party," or collectively as "Parties," to this Agreement.

WGU is regionally accredited by the Northwest Commission on Colleges and Universities (NWCCU). University Teacher Education programs are further accredited by the Council for the Accreditation of Educator Preparation (CAEP) and the Association for Advancing Quality in Educator Preparation (AAQEP). University represents that each teacher/principal Candidate assigned to District for Student Teaching/Practicum is validly enrolled in an approved University educator preparation program and meets District's background requirements.

NOW THEREFORE, with the mutual intent to be legally bound to the terms and conditions herein, the Parties agree as follows:

A. Definitions. For the purposes of this Agreement, capitalized terms* will have the following meanings:

1. Candidate refers to a student enrolled in a University program leading to an education degree.
2. Mentor Teacher refers to a District employee who is the contracted teacher in the classroom to which the Candidate is assigned.
3. Clinical Supervisor refers to a qualified individual who will supervise and complete observations and evaluations.
4. Advanced Programs refers to University programs that are designed for licensed teachers to earn an endorsement or certification.
5. Preclinical Experience refers to the active participation by a Candidate in a wide range of in-classroom experiences to develop the skills and confidence necessary to be an effective teacher and prepare for Student Teaching.
6. Student Teaching refers to the active participation by a teacher Candidate in the duties and functions of classroom teaching under the direct supervision and instruction of a Mentor Teacher and/or Clinical Supervisor.
7. Practicum refers to the University Clinical Experience requirements for licensed teachers in an advanced endorsement program. Practicum length can range from 10 days to 12 months, depending on program and state requirements.
8. Clinical Experience refers collectively to the Preclinical Experience and Student Teaching and/or Practicum.

*References to "District" shall include the school.

B. Mutual Expectations. A placement site is a District where University places Candidates for a Clinical Experience with Mentor Teachers/principals, with an aim to co-construct a mutually beneficial arrangement for clinical preparation and the continuous improvement of Candidates, and to share accountability for Candidate outcomes. The school administrator and Mentor Teacher will have the opportunity to provide critical feedback to inform program improvement through surveys at the end of each experience.

C. Mutually Beneficial Activities. The parties agree to participate, to the extent feasible, in the activities outlined below:

1. When available, University staff may participate in District employee events and conferences, as appropriate, and District agrees to inform University of such opportunities.

2. Provide District with recruitment and talent acquisition planning and support from University's Career & Professional Development service(s) team, based on District compliance with University's [Employer Recruiting & Guidelines](#).
 - As possible, District will respond to quarterly survey requests from University's Career & Professional Development team about hiring plans and new hires from University.
 3. University and District staff will co-select Mentor Teachers and Clinical Supervisors based on University requirements.
 4. District employees who have been admitted to University may apply to receive aid so long as they meet scholarship eligibility requirements (University will retain sole discretion in funding and award decisions).
 5. University may invite District staff to participate in a focus group to:
 - provide feedback for improvement and continuous development of observation and evaluation instruments of Candidates, Mentor Teachers, and Clinical Supervisors; criteria for selection of Mentor Teachers and Clinical Supervisors; and curriculum development;
 - review data on Clinical Experiences and Candidate success to potentially modify selection criteria, determine future assignments of Candidates, and make changes in Clinical Experiences;
 - review how the depth, breadth, diversity, coherence, and duration data on Clinical Experiences are linked to student outcomes and Candidate performance.
- D. Recordings.** District recognizes that University requires its Candidates to video record in the classroom for evaluation purposes and agrees to permit video recording consistent with the conditions set forth in **Exhibit A** (Video Recordings).
- E. Mentor Teacher Standards.** District, with the input of University, will provide the teacher Candidate with a Student Teaching assignment in a school and classes of District under the direct supervision and instruction of a Mentor Teacher who meets the following minimum requirements:
1. Holds a teaching credential or license: (i) for the subject area and/or grade level being taught; and (ii) in the state where Student Teaching occurs.
 2. Has: (i) a minimum of three (3) years of content area teaching experience (five (5) years preferred), with (ii) two (2) or more years teaching in the placement school and/or District, and (iii) strong evaluations.
 3. Evidence of positive impact on student learning in the classroom as demonstrated by ratings at or above effective (or equivalent) when a state, district, or school provides such ratings.
 4. Successfully and with positive impact mentored student teachers, colleagues, and/or other adults.
 5. Competently uses technology for communicating via email and completing online evaluation forms.
 6. Will demonstrate and model the professional dispositions and ethics expected of teacher Candidates and University faculty and staff, as follows:

○ All individuals can learn	○ Communication
○ Belonging	○ Integrity
○ Empathy	○ Professionalism
○ Growth Mindset	○ Intellectual courage
 7. Complete University's training to understand University policies, processes, procedures, and how to effectively mentor adult learners.
 8. *For California Districts Only:* As required by the California Commission on Teacher Credentialing (CTC) Program Sponsor Alert (PSA) 19-05, Mentor Teacher has documented completion of training/professional development equivalent to ten (10) hours that includes: a two (2)-hour orientation to program curriculum, and eight (8) hours training in effective supervision approaches such as cognitive coaching, adult learning theory, and current content-specific pedagogy and instructional practices.
- F. Clinical Supervisor Standards.** A University Clinical Supervisor provides guidance, support, on-site assistance, assessment and feedback to a teacher Candidate throughout the Clinical Experience. To act in this role, a Clinical Supervisor must have:

1. A minimum of three (3) years teaching experience in K-12.
2. A master's degree in education or related field.
3. A current teaching license in the content area of supervision.
4. Experience teaching in the content area of supervision.
5. Ability to successfully complete a background clearance, if requested.
6. District and principal approval (if a District employee).
7. Ability to consistently demonstrate and model the professional dispositions and ethics expected of teacher Candidates and University faculty and staff, as follows:
 - o All individuals can learn
 - o Belonging
 - o Empathy
 - o Growth Mindset
 - o Communication
 - o Integrity
 - o Professionalism
 - o Intellectual courage

G. University Responsibilities. University will:

1. Select qualified Candidates who have been prepared with the appropriate educational background, knowledge, skills, and professional disposition to participate in a Clinical Experience.
2. Provide Mentor Teacher with compensation for participation in Clinical Experience as described in this Agreement. The Mentor Teacher may also receive professional development hours connected to the successful completion of University, and any state required Mentor Teacher training.
3. Be responsible for the selection, assignment, training, and compensation of Clinical Supervisors.
4. Require Candidates to have a fully cleared background check acceptable to District prior to participating in Clinical Experience activities.
5. Where required by state regulation or District policy, ensure Candidates have a current tuberculosis (TB) risk assessment and/or examination. Upon request, Candidates will be required to provide documentation to District prior to participating in a Clinical Experience.
6. Provide opportunities for feedback regarding improvement of University Candidate preparation.
7. Provide professional development training to Mentor Teachers regarding University processes and procedures.
8. Maintain an online site for support, resources, and training for Mentor Teachers.
9. Facilitate a cohort seminar in which teacher Candidates will participate with a community of peers to receive support during Student Teaching and the final performance assessment.
10. Maintain general responsibility for instruction, academic evaluation, and related academic matters concerning Candidate participation in the Clinical Experience, including evaluation and grading.

H. District Responsibilities. District, or school administrator, will:

1. Nominate one or more qualified Mentor Teacher(s) by providing a completed copy of the Mentor Teacher Nomination Form to University's Field Placement Team.
2. Allow the Clinical Supervisor access to the host school and classroom, including virtual settings, for the specific purpose of observing Candidates.
3. Where applicable and where a Teacher Candidate will serve as a contracted teacher, District agrees to provide a Mentor Teacher during Student Teaching.
4. University utilizes video recordings for both observations and teacher performance assessments. District agrees to allow video recording and/or live streaming for completion of observations and teacher performance assessments for all University programs. (See **Exhibit A** for details regarding video recordings.)
5. Notify University about any changes to District policies (e.g., COVID and other healthcare policies).

6. Provide Candidates with any District policies and procedures to which Candidates are expected to adhere during the Clinical Experience and while on District premises.
7. Through the involvement of the Mentor Teacher and/or school administrator, participate with the Clinical Supervisor and teacher Candidates in two evaluations: one mid-way through Student Teaching, and a final evaluation at the end of Student Teaching. University shall be responsible for the format of evaluations.
 - See Advanced Programs Practicum section below for evaluation requirements for Educational Leadership, English Language Learning, and Master of Special Education.
8. Provide Candidates opportunities to observe, assist, tutor, instruct, implement effective teaching strategies, and conduct research, as appropriate, during the Clinical Experience.
9. Provide opportunities, when possible and appropriate, for Candidates to use technology to enhance student learning and monitor student progress and growth.
10. Provide opportunities, when possible and appropriate, for Candidates to experience working with diverse student populations, including English language learners and students with exceptional learning needs.
11. Encourage Mentor Teachers to participate in University's training to understand University policies, processes, procedures, and how to effectively mentor adult learners.
12. Encourage administrators and Mentor Teachers to participate in University feedback surveys (offered at the end of the Clinical Experience) to report on Candidate quality and preparation and to provide program feedback to University for continuous improvement.
13. Adhere to any then-applicable state requirements related to training/professional development.
14. *For California Districts Only:* Require Cooperating Teachers to complete and document training/professional development equivalent to ten (10) hours that includes: a two (2)-hour orientation to the program curriculum, and eight (8) hours of training in effective supervision approaches such as cognitive coaching, adult learning theory, and current content-specific pedagogy and instructional practices (as required by the CTC).

I. Advanced Programs Practicum. The following additional requirements apply to Advanced Programs Practicum:

1. Candidates are licensed teachers who are in most cases completing the Practicum in their own classroom using a qualified individual within their school as a Clinical Supervisor who meets the applicable qualifications and requirements.
2. Each Candidate will:
 - have a relationship with the school and arrange placement by obtaining District approval.
 - secure his/her own Clinical Supervisor, subject to approval of University's Field Experience team to ensure the Clinical Supervisor meets program requirements.
 - provide a valid background clearance, liability insurance, and teaching license.
 - comply with any other applicable District requirements.
3. Evaluations of Candidates are as follows:
 - Educational Leadership - 4 total (2 evaluations during the first Practicum course, and 2 during the second Practicum course)
 - English Language Learning - 3 total (2 observations and 1 final evaluation)

J. Confidentiality & Education Records

1. Both Parties hereby acknowledge that they may be exposed to each other's proprietary or otherwise confidential information including, without limitation, information with respect to the other Party's accounting and financial information, business strategy, or any student and/or personnel records (collectively referred to hereafter as "Confidential Information"). As used within this Agreement, "Confidential Information" includes this Agreement, and all information (whether written, oral, electronic, or otherwise, whether technical or non-technical in nature, and whether specifically defined as "confidential," "proprietary," "non-public" or "competitively sensitive") provided by one Party to this Agreement to the other Party that a reasonable person would consider confidential, proprietary, non-public, or otherwise competitively sensitive.

2. Each of the Parties agree that neither it, nor its representatives, at any time either during or subsequent to the termination of this Agreement, disclose the Confidential Information to others, use, copy, or permit the Confidential Information to be copied, except pursuant to duties for or on behalf of the other Party as defined within this Agreement. Such requirement to maintain confidentiality is inclusive of any information subject to the laws and regulations promulgated by the Commonwealth of Pennsylvania's Right to Know Law, the Health Information Portability and Accountability Act, 42 U.S.C. Section 1320d; 45 C.F.R. §160.102, et seq. (as amended) (HIPAA), and the Family Education Rights and Privacy Act, 20 U.S.C. § 1232g; 34 C.F.R. Part 99 (as amended) (FERPA). Pursuant to FERPA, and for the purposes of this Agreement, University designates District as a "school official" with a legitimate educational interest in such records.
3. University shall instruct Candidates of the necessity of maintaining the confidentiality of all District student records. District shall not grant Candidates or University employees access to individually identifiable student information unless the affected student's parent or guardian has first given written consent using a form approved by District that complies with FERPA and other applicable law.
4. A Party may disclose Confidential Information pursuant to a governmental, judicial, or administrative order, subpoena, discovery request, regulatory request or similar request, provided that the other Party promptly notifies the non-disclosing Party in writing of such request or demand for disclosure, and no later than within forty-eight (48) hours of receipt of such request, so that the non-disclosing Party, at its sole expense, may seek to make such disclosure subject to a protective order or other appropriate remedy to preserve the confidentiality of the Confidential Information.

K. Additional Terms

1. Term. This Agreement shall commence on the Effective Date and shall continue for three (3) years from the Effective Date.
2. Termination. Either Party may terminate this Agreement for any reason by providing at least thirty (30) days advance written notice of the intent to terminate and the termination date to the other Party. In the event of termination, any Candidates at District as of the date of such notice shall be permitted to complete their Student Teaching or Practicum. Termination will have no effect upon the rights and obligations resulting from any duties and obligations occurring prior to the effective date of the termination of this Agreement.
3. Points of Contact. Each party shall designate a point of contact for communication and coordination of Student Teaching or Practicum. Contact information is set forth following the signature block.
4. Right to Accept or Terminate a Placement. District may refuse to accept for placement, or may terminate the placement, of any Candidate based upon its good faith determination that the Candidate is not meeting performance standards or is otherwise deemed unacceptable to District. In such cases, District shall notify University in writing and state the reasons for such decision.
5. Insurance.
 - a) University Insurance. University represents and warrants that it provides and maintains general liability insurance with limits of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate and, upon District's request, shall provide a certificate of insurance as evidence of coverage. University shall maintain, at its sole expense, workers' compensation insurance as required by law.
 - b) Professional Liability Insurance. Candidates will be responsible for procuring and maintaining, at their own expense, professional liability insurance for the duration of the Clinical Experience with minimum limits of either: (i) \$1,000,000 per occurrence and \$3,000,000 annual aggregate, or (ii) \$2,000,000 per occurrence and \$2,000,000 annual aggregate.
6. Status of Parties. WGU and District are independent legal entities. Nothing in this Agreement is intended to or shall be construed to constitute an agency, employer/employee, partnership, fiduciary relationship, or any other relationship between the Parties other than that of independent parties contracting with each other solely for the purpose of carrying out the terms of this Agreement. Neither Party will have the


authority to, and will not, act as agent for or on behalf of the other party or represent or bind the other party in any manner. No Candidate or other third party shall be a beneficiary of, or have any right to enforce the terms of this Agreement.

7. Indemnification. The Parties agree, at their sole expense, to indemnify, defend, and hold harmless the other Party against any and all third-party losses, liabilities, judgments, awards, and costs (including reasonably attorneys' fees and expenses) to the extent arising out of or relating to:
 - a) bodily injury (including death) or any real or tangible property loss or damage as a direct result of the other Party's intentional, reckless, or negligent acts or omissions in the performance of services under this Agreement; or
 - b) any breach outlined in the other terms of this Agreement.
8. Indemnification Procedures. The Party seeking indemnification (the "Indemnified Party") shall notify the other Party (the "Indemnifying Party") promptly after the Indemnified Party receives notice of a claim for which indemnification is sought under this Agreement; provided, however, that no failure to so notify the Indemnifying Party shall relieve the Indemnifying Party of its obligations under this Agreement, except to the extent that it can demonstrate damages directly attributable to such failure. To the extent permitted by law, the Indemnifying Party shall have the authority to defend or settle the claim; provided, however, that the Indemnified Party, at its sole discretion and expense, shall have the right to participate in the defense and/or settlement of the claim, and provided further, that the Indemnifying Party shall not settle any such claim imposing any liability or other obligation on the Indemnified Party without the Indemnified Party's prior written consent.
9. Limitation on Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, RELIANCE OR SPECIAL CONSEQUENTIAL DAMAGES, INCLUDING DAMAGES FOR LOST PROFITS, LOSS OF USE, BUSINESS INTERRUPTION, OR LOSS OF DATA IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT REGARDLESS OF THE FORM OF ACTION WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY OR TORT AND EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
10. Dispute Resolution. Except as otherwise provided in this Agreement, any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiations between the Parties.
 - a) Dispute Resolution Process. To initiate such negotiation, a Party must provide to the other Party written notice of the dispute that includes both a detailed description of the dispute or alleged nonperformance and the name of an individual who will serve as the initiating Party's representative in the negotiation. The other Party shall have ten (10) business days to designate its own representative in the negotiation. The Parties' representative shall meet at least once within forty-five (45) days after the date of the initiating Party's written notice in an attempt to reach a good faith resolution of the dispute. Upon agreement, the Parties' representatives may utilize other alternative dispute resolution procedures such as private mediation to assist in the negotiations.
 - b) Inability to Resolve. If the Parties have been unable to resolve the dispute within forty-five (45) days of the date of the initiating Party's written notice, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding exclusively in the Court of Common Pleas of Dauphin County, Pennsylvania. The Parties further agree to waive a jury trial in connection with such proceeding.
11. Non-Discrimination. Each Party agrees to comply with all applicable non-discrimination laws, and will accept, assign, supervise, and evaluate qualified Candidates regardless of race, sex (including gender, pregnancy, sexual orientation and gender identity), physical or mental disability, religion, creed, national origin, citizenship, age, disability, veteran status, or any other basis protected by federal, state, or local law.

12. Conflict of Interest. By entering into this Agreement, the Parties agree that all conflicts of interest shall and have been disclosed to the other Party for review in accordance with that Party's policies and procedures. A conflict of interest occurs when a professional or personal interest inhibits a Party's ability to provide services to or on behalf of their respective Party impartially.
13. Compliance with Laws. The Parties agree that all services provided pursuant to this Agreement shall be performed in compliance with all applicable federal, state, and/or local laws, rules, and regulations. In the event that an applicable federal, state, or local law or regulation is modified, either Party reserves the right to notify the other Party in writing of any modifications to the Agreement in order to remain in compliance with such law, rule, or regulation.
14. Governing Law / Jurisdiction. This Agreement will be governed by, and construed in accordance with, the laws of the Commonwealth of Pennsylvania, without regard to its principles of conflict of laws. Any dispute or claim from this Agreement shall be resolved exclusively in the Court of Common Pleas of Dauphin County, Pennsylvania, and the Parties hereby irrevocably submit to the personal jurisdiction of said courts and waive all defenses thereto. The Parties further agree to waive the right to a jury trial in connection with such proceedings relating to this Agreement.
15. Assignment. Neither Party may assign the rights, duties, and obligations under this Agreement without the prior written consent of the other Party. Such consent shall not be unreasonably withheld.
16. Attorney's Fees. In the event either Party is required to obtain legal assistance (including in-house counsel) to enforce its rights under this Agreement, or to collect any monies due to such Party for services provided herein, the prevailing Party shall be entitled to receive from the other Party, in addition to all other sums due, reasonable attorney's fees, court costs, and expenses, if any, incurred enforcing its rights and/or collecting its monies, including any fees and costs incurred on an appeal.
17. Headings. The headings of section and subsections of this Agreement are solely for reference, and will neither affect nor control the meaning or interpretation of this Agreement.
18. Entire Agreement. This Agreement (inclusive of any supplemental agreements, exhibits, schedules, or other documentation incorporated herein by reference) represents the entire understanding between the parties relating to the subject matter and supersedes all prior oral or written agreements and understandings, both oral and written, between the Parties with respect to the subject matter herein.
19. Amendment/Modification. Except as otherwise provided in this Agreement, this Agreement may only be amended or modified in writing, signed and duly authorized by the representative of both respective Parties to this Agreement.
20. Severability. In the event that one or more provision(s) of this Agreement is deemed invalid, unlawful, and/or unenforceable, then only that provision will be omitted, and will not affect the validity or enforceability of any other provision; the remaining provisions will be deemed to continue in full force and effect.
21. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and both of which shall constitute one and the same instrument, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party.
22. Electronic Signature. Should a facsimile, PDF, or other electronic signature be used by a signatory to this Agreement, such signature shall be deemed valid and have the same force and effect as a manually signed original.
23. Capacity. Each Party asserts that the signatory to this Agreement has both the legal and representative capacity to provide a signature for their respective Party to this Agreement.
24. Immunity Under Political Subdivision Tort Claims Act. Nothing in this Agreement shall be deemed a direct or indirect waiver or a limitation of any sovereign or governmental immunity, in any respect, including without limitation, under the Pennsylvania Political Subdivision Tort Claims Act, 42 Pa.C.S. Section 8541, et seq. (as amended) or impose liability, directly or indirectly, from which it would otherwise be immune under applicable local, state, or federal law.

IN WITNESS WHEREOF, the Parties have agreed to the above terms and conditions and have executed this Agreement as of the Effective Date.

UNIVERSITY

By: 
Jennifer D. Smith (Jan 10, 2024 09:12 CDT)

Title: Director, Field Experience, School of Education

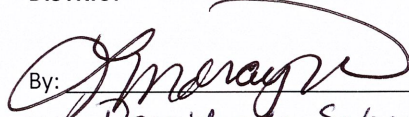
Point of Contact:

Field Experience Outreach
Email: tc_outreach@wgu.edu

For notice purposes:

Attn: General Counsel
Western Governors University
4001 South 700 East, Suite 700
Salt Lake City, UT 84107-2533
Email: legal@wgu.edu

DISTRICT

By: 
Title: President, School Board
Date: June 24, 2024

Point of Contact:

Email:
Phone:

For notice purposes:

Email:

Exhibit A

Video Recording

1. Teacher Performance Assessment. District acknowledges that Candidates must complete a teacher performance assessment, which includes the submission of video recordings of themselves teaching in the classroom and of real artifacts (such as lesson plans, video, and student work samples). Recordings provide an avenue to evaluate performance and determine competency.
2. Clinical observation / Evaluation. University utilizes a secure, interactive, online, cloud-based platform to accommodate for the changing classroom environment and protect the health and safety of participants. Candidates upload recorded video submissions or participate in livestreams for feedback, scoring, and critiquing of video assignments, and Clinical Supervisors leave time-stamped feedback.
3. Guidelines. The following guidelines are provided to Candidates. District understands that Candidates are not employees or agents of University and that any further precautions regarding the privacy of District students should be agreed directly between the District and Candidates.

Teacher Candidate Guidelines for Video Recordings

- Secure appropriate permission from the parents/guardians of your students and from adults who appear in the video recording.
- To protect confidentiality, remove your name and use pseudonyms or general references (e.g., "the district") for your state, school, district, and Mentor Teacher. Mask or remove all names on any typed or written material (e.g., commentaries, lesson plans, student work samples) that could identify individuals or educator preparation programs. During video recording, use only the first names of students.
- You must follow appropriate protocol to submit recordings to University.
- You may not display the video publicly (i.e., personal websites, YouTube, Facebook).
- You may not use any part of the recordings for any personal or professional purposes outside of performance evaluation.
- You must destroy all video recordings once the evaluation is complete.

INTERNSHIP AGREEMENT

This Agreement establishes the relationship between Pennsylvania Western University, an educational institution of the State System of Higher Education, Commonwealth of Pennsylvania on behalf of its School Psychology Program (hereinafter: the “University”); and Derry Township School District (hereinafter the “Agency”).

I. RESPONSIBILITIES OF THE UNIVERSITY

It is hereby agreed by all parties that the responsibilities of the University for the internship shall be as follows:

1. Intern performance will be regularly reviewed by a supervising university faculty member. Such review will include monthly meetings of the intern at the university and twice per semester site visits by the university supervisor. Interns placed at long distant site do not have to attend monthly on-campus meetings. Arrangements will be made to conduct teleconferencing and/or videoconferencing.
2. The University requires interns to keep appropriate records of his/her activities.
3. The University retains final responsibility for the assignment of internship grades. The University shall determine the amount of academic credit to be earned through the internship and establish all academic requirements that the student must meet to earn the credit. The University shall establish a grading system and criteria to earn the grade upon completion of the internship.
4. The Derry Township School District understands that as an Agency of the Commonwealth, the University is prohibited from purchasing insurance. As a public university and state instrumentality, there is no statutory authority to purchase insurance and it does not possess insurance documentation. Instead, it participates in the Commonwealth’s Tort Claims Self-Insurance Program administered by the Bureau of Risk and Insurance Management of the Pennsylvania Department of General Services. This program covers Commonwealth/University-owned property, employees and officials acting within the scope of their employment, and claims arising out of the University’s performance under this agreement, subject to the provisions of the Tort Claims Act, 42 Pa.C.S.A. §§8521, et seq.
5. The University will advise students they shall be responsible for procuring professional liability insurance at their own expense. The limits of the policy shall be at a minimum of \$1,000,000.00 per claim. This policy must remain in full force and effect for the duration of the practicum, internship, or student teaching assignment.
6. The University will advise student candidate they are required to provide all currently required background clearances (Act 114, Act 34, Act 151, Act 24, ACT 126 and TB test) to his or her educator preparation program. This school psychology program is responsible for maintaining a copy of all clearances. The candidate will retain the original of all clearances.

A student placed in non-school setting(s) will acquire clearances as specified by the discipline.

II. AGENCY RESPONSIBILITIES

1. The Agency shall provide the following compensation during the period of internship (\$15,000.00/AY24-25) and other financial support (e.g. health benefits, mileage, professional development) (None).
2. The Agency shall appoint one individual to assume primary responsibility for the coordination, direction, and general supervision of the internship. This should be a site-based psychologist who has direct and regular contact with the students, families, and staff with whom the intern will work. Agency supervisors must be state certified school psychologists and have at least three years experience working in public schools as a school psychologist and have been employed in the Agency for a minimum of one school year prior to undertaking supervisory responsibilities.
3. In all instances involving the professional duties assigned interns, it is agreed Agency supervisory personnel shall carry ultimate and primary professional/clinical case responsibility. The intern shall, in all cases, follow completely the directions, instructions, and policies of the agency as interpreted to them by Agency supervisory staff. Intern failure to comply with this requirement will be taken most seriously by both Agency and university staff, and may result in suspension or termination of students from their internship placement.
4. Provisions will be made for interns to participate in professional development activities to include release time and when possible, financial support. Traditionally, this has included attendance of a state-wide fall conference plus a state-wide spring conference or the annual conference of the National Association of School Psychologists.
5. The Agency supervisor will provide at least two hours of direct supervision per full-time week. Skill acquisition during is a developmental experience with higher levels of supervision needed early in the experience. Supervisor and intern should be in the same or adjacent work areas. In addition to regular supervisory sessions arranged by the Agency internship supervisor, the intern shall be informed by the Agency supervisor at least twice a semester as to the supervisor's estimated quality of their internship performance at that point . In cases of inadequate intern performance, the Agency intern supervisor, in consultation with the university supervisor, shall also inform the student and shall initiate such corrective procedures as may seem reasonable and appropriate, including termination of internship.
6. The Agency ensures the intern is provided adequate supplies and materials to carry out the functions of the internship. In addition, adequate privacy of office facilities and access to secretarial assistance is maintained. The physical plant has available central office facilities for files, professional library, storage of supplies and material, and telephone services. Access to office equipment such as duplication services and recording equipment is also

provided. These provisions are consistent with the availability afforded regular staff members.

7. Release time shall be provided for the monthly university-based internship meetings.
8. The Agency shall provide a diversified training experience, including a goal of 15% each for counseling and consultation, and provide support for completion of the three NCSP case studies. The latter includes one each with an academic, behavioral, and systems target behavior.

III. SHARED RESPONSIBILITIES OF THE CONTRACTING PARTIES


The following general guidelines and conditions are required throughout internship and affirmed by Pennsylvania Western University at Edinboro, the School Psychology Program faculty, the intern, and the Agency.

1. That all of the above parties welcome students, faculty, and staff from all racial, religious, national, and socio-economic backgrounds. That all are committed to affirmative action to assure equal opportunity, as required by law, for all persons regardless of race, color, religion, national origin, ancestry, age, sex, or handicap. This policy is intended to comply with Federal and Commonwealth laws concerning equal opportunity, including Title IX, and is applicable to all employment practices, admissions of students, and services to students, faculty, staff, and the community.
2. It is understood that throughout the internship period, the University faculty will retain responsibility for the assignment of academic study as appropriate. Agency internship supervisory staff, although serving without remuneration or formal faculty or academic rank, shall be regarded by all concerned as exercising the same professional and teaching relationship toward students as would regular members of the University faculty with regard to the assignment and evaluation of student readings, projects, reports, practices, or other learning experiences.
3. Neither Pennsylvania Western University at Edinboro nor the Agency considers the failure to provide an intern with full or partial financial support as a basis for waiving, abrogating, or altering the University internship requirement.
4. The Agency shall report any incident in which a student is the victim of sexual assault, dating violence, domestic violence, stalking or sexual harassment to the University Title IX Coordinator, Amy Salsgiver, Phone: 814-393-2109, Email: asalsgiver@pennwest.edu. The Agency and University shall identify resources, such as medical care and counselling that are available to any student who has been the victim of sexual assault, dating violence, domestic violence or stalking.
5. The laws of the Commonwealth of Pennsylvania shall govern this agreement.

6. The relationship between the parties to this agreement to each other is that of independent contractors. The relationship of the parties to this agreement with each other shall not be construed to constitute a partnership, joint venture or any other relationship, other than that of independent contractors.
7. Neither of the parties shall assume any liabilities to each other. As to liability to each other or death to persons, or damages to property, the parties do not waive any defense as a result of entering into this agreement. This provision shall not be construed to limit the Commonwealth's rights, claims or defenses which arise as a matter of law pursuant to any provisions of this agreement. This provision shall not be construed to limit the sovereign immunity of the Commonwealth or of the State System of Higher Education or the University.
8. This agreement represents the entire understanding between the parties. This agreement shall only be modified in writing with the same formality as the original agreement.

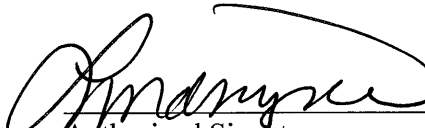
The authorized representatives of the parties have executed this Agreement as of the date indicated below. The Effective Date of the Agreement is the date of the last signature.

Pennsylvania Western University



James D. Fisher, JD, PhD
Interim Provost and Vice President for
Academic Affairs


Derry Township School District



Authorized Signature

Lindsay K. Drew, President, School Board
Print Name/Title

Approved as to Form & Legality:



Digitally signed by
Molly H. Passmore
Date: 2024.06.26
14:48:49 -04'00'

University Legal Counsel

Addendum A

RESPONSIBILITIES OF THE STUDENT

1. Interns are responsible for conducting themselves at all times in an appropriate and responsible professional manner. This would include the development of relationships of a cooperative and professionally respectful nature with agency staff, clients, and other community Mental Health professionals, as well as such practical obligations as the maintenance of regular and punctual working hours, appropriate (NASP) ethical conduct, the acceptance and support of agency procedures and policies, and the regular execution of internship duties and responsibilities.
2. Interns will maintain strict confidentiality regarding all student records and related information of which they become aware while performing their duties for the agency. Access to confidential information is based on "legitimate educational interest" for the performance of assigned responsibilities. The interns shall protect the confidentiality of student records as dictated by the Family Educational Rights and Privacy Act (FERPA) and shall release no information absent written consent of the student unless required to do so by law or as dictated by the terms of this Agreement.
3. In any instances where the intern desires clarification of agency policy, desires alteration of internship duties, or experiences other problems or concerns regarding internship, he/she should first discuss such issues with the agency intern supervisor. If resolution or reconciliation of any difficulty proves unsatisfactory at this level, the student, the agency supervisor, or both may initiate a consultative meeting with the University-based supervisor. Where such meetings involve all three parties, the agreements reached will become binding on all concerned. It is anticipated that the necessity for such meetings should be rare. They are reserved for concerns of most serious nature, since failure to resolve controversy at this level could necessitate mutual termination of the internship contract.
4. The student is responsible for procuring professional liability insurance at their own expense. The limits of the policy shall be at a minimum of \$1,000,000.00 per claim. This policy must remain in full force and effect for the duration of the practicum, internship, or student teaching assignment.
5. The student candidate will provide all currently required background clearances (Act 114, Act 34, Act 151, Act 24, ACT 126 and TB test) to his or her educator preparation program. This school psychology program is responsible for maintaining a copy of all clearances. The candidate will retain the original of all clearances. A student placed in non-school setting(s) will acquire clearances as specified by the discipline.

Student Intern Name

Date

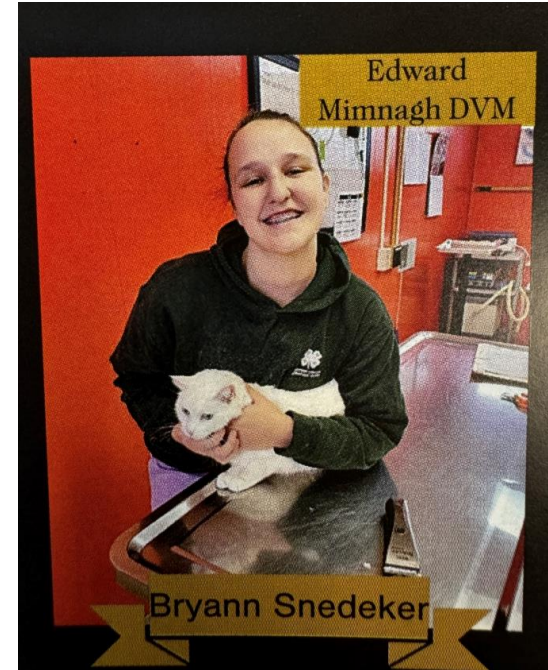
Derry Township Cooperative Education Program Students



Ethan Gruber
HVAC
Employer: Hummelstown Fuel Oil
Student accepted full-time employment
with employer post-graduation.



Rian Kelly
Diesel Technology
Employer: Stephenson Equipment, Inc.
Student accepted full-time employment
with employer post-graduation.



Bryann Snedecker
Veterinary Assistant
Employer: Edward Mimmagh DVM
Student accepted part-time employment with
employer post-graduation and will continue
education in veterinary science field.