

SALINA UNIFIED SCHOOL DISTRICT NUMBER 305
Salina, Kansas

FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT

June 30, 2026

SALINA UNIFIED SCHOOL DISTRICT NUMBER 305
Salina, Kansas

TABLE OF CONTENTS

	<u>Statement</u>	<u>Page</u>
Independent Auditor's Report		1
Financial Statement		
Summary Statement of Receipts, Expenditures and Unencumbered Cash	1	4
Notes to Financial Statement		6
Required Regulatory Basis Supplementary Information	<u>Schedules</u>	
Summary of Expenditures - Actual and Budget	1	16
Schedule of Receipts and Expenditures – Actual and Budget		
General Fund	2a	17
Supplemental General	2b	18
Salina Adult Education Center Fund	2c	19
Preschool-Aged At Risk Fund	2d	20
At Risk (K-12) Fund	2e	21
Bilingual Education Fund	2f	22
Virtual Education Fund	2g	23
Capital Outlay Fund	2h	24
Driver Training Fund	2i	25
Food Service Fund	2j	26
Professional Development Fund	2k	27
Parent Education Fund	2l	28
Summer School Fund	2m	29
Special Education Fund	2n	30
Career and Postsecondary Education	2o	31
KPERS Special Retirement Contribution Fund	2p	32
Central Kansas Cooperative in Education Fund	2q	33
Health Insurance Fund	2r	34
Contingency Reserve	2s	35
Textbook Rental Fund	2t	36
Federal Grant Funds	2u	37
Gifts and Grant Funds	2v	40
Bond and Interest Fund	2w	42
Stewart Library Trust Fund	2x	43
Schedule of Receipts, Expenditures, and Cash Balances - Agency Fund	3	44
Schedule of Receipts, Expenditures, and Cash Balances – District Activity Funds	4	45

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Salina Unified School District Number 305
Salina, Kansas

We have audited the accompanying fund summary statement of receipts, expenditures, and unencumbered cash balances of Salina Unified School District Number 305, Salina, Kansas as of and for the year ended June 30, 2026, and the related notes to the financial statement.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Salina Unified School District Number 305, Salina, Kansas, as of June 30, 2026, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the Salina Unified School District Number 305, Salina, Kansas, as of June 30, 2026, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Basis for Adverse and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Our responsibility under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of Salina Unified School District Number 305 of Salina, Kansas, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and unmodified audit opinions.

Matters giving Rise to Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by Salina Unified School District Number 305 of Salina, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determined, are presumed to be material.

Management's Responsibility for the Financial Statements

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

In preparing the financial statement, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt Salina Unified School District Number 305 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 Responsibility for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

1. Exercise professional judgment and maintain professional skepticism throughout the audit.
2. Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
3. 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 Salina Unified School District Number 305's internal control. Accordingly, no such opinion is expressed.
4. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimate made by management, as well as evaluate the overall presentation of the financial statement.
5. Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Salina Unified School District Number 305 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 control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, schedule of regulatory basis receipts and expenditures-agency funds (Schedules 1, 2, 3, and 4, as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying Schedule of Expenditures of Federal Awards is also presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, information is fairly stated, in all material respects, in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

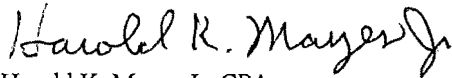
Other reporting required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 3, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that

testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Prior Year Comparative

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Salina Unified School District Number 305 as of and for the year ended June 30, 2025 (not presented herein), and have issued our report dated September 2, 2025, which contained an unmodified opinion on the basic financial statement. The 2025 basic financial statements and accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://admin.ks.gov/offices/accounts-reports/local-government/municipal-services>. The 2025 actual column (2025 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures – actual and budget for the year ended June 30, 2026 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2025 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2025 basic financial statement. The 2025 comparative information was subjected to the auditing procedures applied in the audit of the 2025 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2025 basic financial statement or to the basic financial statements itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2025 comparative information is fairly stated in all material respects in relation to the 2025 basic financial statement as a whole, on the basis of accounting described in Note C.



Harold K. Mayes Jr. CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 3, 2026

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Statement 1

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
For the Year Ended June 30, 2026

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds							
General Funds							
General Fund	\$ 0	\$ 0	\$ 61,121,499	\$ 61,121,499	\$ 0	\$ 138,994	\$ 138,994
Supplemental General	744,204	0	19,935,467	20,041,914	637,757	0	637,757
Special Purpose Funds							
Adult Education	532,591	0	685,549	730,008	488,132	6,085	494,217
Preschool-Aged At Risk	0	0	307,358	307,358	0	0	0
At Risk (K-12)	500,000	0	14,350,000	14,350,000	500,000	0	500,000
Bilingual Education	0	0	1,163,279	1,163,279	0	0	0
Virtual Education	0	0	334,980	334,980	0	0	0
Capital Outlay	16,069,366	0	10,490,908	12,415,830	14,144,444	3,527,777	17,672,221
Driver Training	61,724	0	18,755	17,007	63,472	0	63,472
Food Service	1,156,667	0	5,020,865	4,999,652	1,177,880	0	1,177,880
Professional Development	908,565	0	508,226	484,796	931,995	375	932,370
Parent Education	51,534	0	149,084	149,084	51,534	0	51,534
Summer School	15,415	0	9,690	10,446	14,659	0	14,659
Special Education	5,280,000	0	15,407,440	15,406,450	5,280,990	0	5,280,990
Career and Postsecondary Education	0	0	798,520	798,520	0	0	0
KPERs Special Retirement Contribution	0	0	10,144,784	10,144,784	0	0	0
Central Kansas Cooperative In Education	3,084,103	0	31,126,814	32,063,607	2,147,310	3,561	2,150,871
Non-Budgeted							
Health Insurance	7,408,204	0	14,132,974	13,367,268	8,173,910	0	8,173,910
Contingency Reserve	4,152,091	0	0	0	4,152,091	0	4,152,091
Textbook Rental	1,668,099	0	1,187,066	703,519	2,151,646	0	2,151,646
Federal Grants	(182,018)	0	10,647,139	10,774,271	(309,150)	122,400	(186,750)
Gifts and Grants	12,022	0	1,101,547	1,139,127	(25,558)	0	(25,558)

The accompanying notes are an integral part of this statement.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Statement 1

SUMMARY OF CASH RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
For the Year Ended June 30, 2026

	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
Governmental Type Funds (continued)							
Bond and Interest Funds							
Bond and Interest	\$ 7,613,127	\$ 0	\$ 11,639,567	\$ 11,607,861	\$ 7,644,833	\$ 0	\$ 7,644,833
Trust Funds							
Stewart Library Trust	35,138	0	1,434	468	36,104	0	36,104
District Activities							
District Activity Funds	<u>410,647</u>	<u>0</u>	<u>938,792</u>	<u>916,452</u>	<u>432,987</u>	<u>0</u>	<u>432,987</u>
Total Reporting Entity (excluding agency funds)	<u>\$ 49,521,479</u>	<u>\$ 0</u>	<u>\$ 211,221,737</u>	<u>\$ 213,048,180</u>	<u>\$ 47,695,036</u>	<u>\$ 3,799,192</u>	<u>\$ 51,494,228</u>

Composition of Ending Statutory Cash:

Bank Deposits	\$ 47,425,236
Other Securities	<u>8,173,910</u>
Total cash	55,599,146
Agency Funds per Schedule 3	<u>(4,104,918)</u>
Total Reporting Entity (excluding agency funds)	<u>\$ 51,494,228</u>

The accompanying notes are an integral part of this statement.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE A. MUNICIPAL FINANCIAL REPORTING ENTITY

Salina Unified School District Number 305 (the District) is a municipal corporation governed by an elected seven-member commission. This regulatory financial statement presents the District, and does not include the financial statement of any of the related municipal entities. The District does have a related entity, Salina Education Foundation (the Foundation). The Foundation is not audited; however, transactions with the Foundation are disclosed within the notes under related parties.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the District are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The District could have the following types of funds:

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

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

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

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

Business Fund – funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.). The District did not have any business funds for the current year.

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

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

NOTE C. BASIS OF ACCOUNTING

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

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

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before September 11th of the proposed budget and notice of public hearing on the budget
3. Public hearing on or before September 21st, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before October 1st.
5. Adopted budget filed with the county clerk by 5:00 PM on October 1st.

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

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

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

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

A legal operating budget is not required for capital project funds, trust and agency funds, and the following special purpose funds: Health Insurance Fund, Contingency Reserve Fund, Textbook Rental Fund, Federal Funds and Gifts d Grants Funds. Spending in funds which are not subject to the legal annual operating budget requirements are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

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

The following funds had a deficit balance of unencumbered cash as of June 30, 2026: Federal Head Start, Kansas Head Start, Title I Part D, Title I Low Income, Title II-A Improve Teacher Quality, Title IV A Student Support & Academic Enrichment, Kansas Stronger Connection Grant, SPS Teacher Apprenticeships, ESEA School Improvement Fund and Other Grants (all listed under federal grants) and Kansas Preschool Pilot, Mental Health Grants (listed as gifts and grants). Each of these funds are financed by Federal and State governmental agencies and the District is expecting reimbursement of the qualifying grant expenditures which will cover the deficit balances.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE F. DEPOSITS AND INVESTMENTS

Cash balances from all funds are combined and invested to the extent available in certificates of deposit and other authorized investments. Earnings from these investments are allocated to designated funds. All investments are stated at costs. As of June 30, 2026, the District had the following investments and maturities:

Investment Type	Cost	Investment Maturities (in Years)		Rating U.S.
		Less than 1	1-2	
U.S. Government Agencies				
United State Treasury Notes	\$ 5,474,025	\$ 2,838,551	\$ 2,635,474	S&P A-1+
Federated Government Obligations	2,699,885	2,699,885	0	
Total Fair Value	<u>\$ 8,173,910</u>	<u>\$ 5,538,436</u>	<u>\$ 2,635,474</u>	

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. Effective January 1, 2026, K.S.A. 9-1402 authorizes financial institutions to secure deposits of public moneys of governmental units through the Kansas Collateral Pool (public moneys pooled method as defined by 2025 Senate Substitute for House Bill 2152). The District has no other policies that would further limit interest rate risk.

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

Concentration of credit risk - State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The District's allocation of investments as of June 30, 2026 is as follows:

Investments - For Insurance Fund	Percentage of Investments
U.S. Treasury Notes	67%
Federated Government Obligations	33%
	<u>100%</u>

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The District had no designated "peak periods" during the year. All bank deposits were legally secured at June 30, 2026.

At June 30, 2026, the carrying amount of the District's bank deposits was \$47,425,236 (which includes petty cash funds) and the bank balance was \$53,864,839. The bank balance was held by four banks reducing concentration risk. The difference between carrying amount and bank balance is outstanding checks and deposits. Of the bank balance, \$862,404 was covered by federal depository insurance and \$53,002,435 was collateralized with securities held by the pledging financial institution's agents in the District's name.

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

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE G. LONG-TERM DEBT

General Long-Term Debt

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Date of Final Maturity</u>	<u>Beginning Balance</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Interest Paid</u>
Series 2016, School Refunding	1.95%	6/30/2016	\$ 8,320,000	9/1/2026	\$ 8,320,000	\$ 1,725,000	\$ 6,595,000	\$ 298,300
Series 2017, School Refunding	2.74%	9/7/2017	9,125,000	9/1/2032	5,925,000	980,000	4,945,000	163,050
Series 2019, School Refunding	2.47%	9/25/2019	65,055,000	9/1/2031	40,520,000	4,355,000	36,165,000	846,815
Series 2021, School Refunding	1.36%	5/25/2021	16,845,000	9/1/2029	8,110,000	1,595,000	6,515,000	101,696
Series 2023, School Refunding	3.64%	9/1/2023	12,060,000	9/1/2031	11,360,000	1,000,000	10,360,000	543,000
					<u>\$ 74,235,000</u>	<u>\$ 9,655,000</u>	<u>\$ 64,580,000</u>	<u>\$ 1,952,861</u>

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

	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032-2034</u>	<u>Total</u>
General obligation bonds							
Principal	\$ 10,000,000	\$ 10,550,000	\$ 11,090,000	\$ 11,490,000	\$ 10,920,000	\$ 10,530,000	\$ 64,580,000
Interest	<u>1,655,174</u>	<u>1,354,241</u>	<u>1,088,424</u>	<u>793,902</u>	<u>473,987</u>	<u>157,172</u>	<u>5,522,899</u>
	<u>\$ 11,655,174</u>	<u>\$ 11,904,241</u>	<u>\$ 12,178,424</u>	<u>\$ 12,283,902</u>	<u>\$ 11,393,987</u>	<u>\$ 10,687,172</u>	<u>\$ 70,102,899</u>

The District is subject to the municipal finance laws of the State of Kansas which limits the net bonded debt (exclusive of revenue bonds and special assessment bonds) the District may have outstanding to 14% of the assessed value of all tangible taxable property within the District, as certified to the County Clerk on the preceding October 1. Additional authority may be granted by the Kansas State Board of Education. At June 30, 2026, the statutory limit for the District was \$95,503,960, for which the outstanding indebtedness of the District in the amount of \$64,580,000 is within the debt limit. In the past, the District has exceeded the debt limit, but this has been approved by the State Board of Education.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE G. LONG-TERM DEBT - continued

Operating Leases

The District conducts a portion of its operations utilizing operating leases for copiers and buildings. Lease terms expire at various times.

<u>June 30,</u>	<u>Equipment</u>	<u>Buildings</u>	<u>Total</u>
2026	\$ 230,393	\$ 1,500	\$ 231,893

Current year rental payments under operating leases were \$231,893

Minimum Future rental payments under oprating leases as of June 30, 2026 are as follows:

<u>Operating Leases</u>	<u>Equipment</u>	<u>Buildings</u>	<u>Total</u>
<u>June 30,</u>			
2027	\$ 139,115	\$ 1,500	\$ 140,615
2028	139,115	1,500	140,615
2029	125,765	1,500	127,265
2030	115,264	1,500	116,764
	<u>\$ 519,260</u>	<u>\$ 6,000</u>	<u>\$ 525,260</u>

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE H. INTERFUND TRANSFERS

Operating transfers were as follows:

Fund From	Fund To	Statutory Authority	Amount
General Fund	Virtual Education	K.S.A. 72-5167	\$ 334,980
General Fund	Capital Outlay	K.S.A. 72-5167	1,300,000
General Fund	Special Education	K.S.A. 72-5167	8,706,486
General Fund	Textbook	K.S.A. 72-5167	250,000
General Fund	Preschool-Aged At Risk	K.S.A. 72-5167	307,358
General Fund	At Risk (K-12)	K.S.A. 72-5167	11,237,491
Supplemental	Bilingual Education	K.S.A. 72-5143	1,163,279
Supplemental	Food Service	K.S.A. 72-5143	785,531
Supplemental	Professional Development	K.S.A. 72-5143	508,226
Supplemental	Parent Education Program	K.S.A. 72-5143	51,534
Supplemental	Special Education	K.S.A. 72-5143	6,647,466
Supplemental	Career and Postsecondary Education	K.S.A. 72-5143	798,520
Supplemental	Textbook	K.S.A. 72-5143	750,000
Supplemental	At Risk (K-12)	K.S.A. 72-5143	3,112,509
Title IV A	Title II A		<u>10,000</u>
Total Transfers			\$ <u>35,963,380</u>

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Health Insurance: During the year ended June 30, 2026 employees of the District were covered by the District's medical self-insurance plan ("the plan"). The plan was established October 1, 1998. The District's contribution is \$580 per month. All District Employees, at their option, can authorize payroll withholdings to pay non-District provided contributions. Claims are paid by a third party administrator acting on behalf of the District. The plan is documented by contractual agreement.

The administrative contract between the District and the third party administrator is renewable annually and stop-loss premiums are included in the contractual provisions. The District was protected against unanticipated catastrophic individual or aggregate loss by stop-loss coverage carried through Blue Cross & Blue Shield of Kansas, a commercial insurer licensed or eligible to do business in Kansas in accordance with Kansas Insurance Code. Stop-loss coverage was in effect for individual claims exceeding \$200,000 and with aggregate stop loss insurance at 115% of annualized expected claims.

Incurred but not reported claims: Liabilities include an amount for claims that have been incurred but not reported (IBNR's). Liabilities are reported when it is probable that claims have been incurred and the amount of the liability can be reasonably estimated. Claim liabilities are calculated by the plan administrator and are expected to be liquidated with expendable available financial resources.

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

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. COBRA participants pay 102% of the premium. There is no cost to the District under this program.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE I. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS - continued

Compensated Absences: The District's policy is to recognize the costs of compensated absences when actually paid. Compensated absence policies are available in the staff handbook.

Death and Disability Other Post Employment Benefits: As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERS) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended June 30, 2026.

NOTE J. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description - The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.gov or by writing to KPERS (611 S Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

Contributions - K.S.A. 74-4919 and K.S.A. 74-49210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2, or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provision of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate statutory contribution rate (not including the 1% contribution rate for the Death and Disability Program) was 11.60% and 11.54%, respectively, for the fiscal year ended June 30, 2025. The actuarially determined employer contribution rate and the statutory contribution rate was 11.78% and 11.68% for the fiscal year ended June 30, 2026.

The 2015 Legislature passed and the Governor approved Senate Bill 228 authorizing the issuance of \$1.0 billion in pension obligation bonds to fund a portion of the School-Group's unfunded actuarial liability. The bonds were successfully issued in August 2015 and the proceeds transferred to the System.

The 2021 Legislature passed House Bill 2405, which authorizes the State of Kansas to issue pension obligation bonds, Series 2012K, net proceeds of \$500 million to fund a portion of the School-Group's unfunded actuarial liability. The bond proceeds were received by KPERS on August 26, 2021.

The 2022 Legislature passed Senate Bill 421, which authorized the State of Kansas to transfer \$1.125 billion from the State General Fund directly to KPERS in Fiscal Years 2022 and 2023. The first \$253.9 million paid off outstanding accounts receivable for KPERS – School employer contributions withheld in Fiscal Year 2017 and Fiscal Year 2019 while the remaining \$871.1 million was applied to the KPERS – School unfunded actuarial liability. In Fiscal Year 2022, \$600 million was transferred in May/June 2022.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE J. DEFINED BENEFIT PENSION PLAN - continued

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

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$10,144,784 for the year ended June 30, 2026.

Net Pension Liability

At June 30, 2026, the District's proportionate share of the collective net pension liability reported by KPERS was \$80,072,055. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2024, which was rolled forward to June 30, 2025. The District's proportionate share of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2025. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

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

NOTE K. OTHER RETIREMENT BENEFITS

Defined Contribution Plan

The District has established a defined contribution pension plan in accordance with the provisions of section 403(b) of the Internal Revenue Code. The District contributes \$1,000 per contract year for each full time, eligible participant into the participant's Employer Paid Account. Contributions are prorated for participants who work less than full time and/or are employed for less than a full contract year. Eligible employees include Certified Teachers, Head Start Teachers, Professional Technical Staff and Administrators. Employer paid contributions are subject to a 10-year vesting schedule. Additionally, employees may voluntarily contribute, on a pre-tax basis, from their salary, to their Employee Paid Account.

NOTE L. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the District carries commercial insurance. Settlements of claims have not exceeded coverage during the past three fiscal years.

NOTE M. OTHER INFORMATION

Reimbursed Expenses: The District records reimbursable expenditures in the fund that makes the disbursement and records the reimbursement as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the reimbursements are shown as adjustments for qualifying budget credits.

Ad Valorem Tax Revenue: The determination of assessed valuation and the collections of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser's office annually determines assessed valuation and the County Clerk spreads the annual assessment to the taxing units. One-half of the property taxes are due December 20 and distributed to the District by January 20 to finance a portion of the current year's budget. The second half is due May 10 and distributed to the District by June 5th. The District Treasurer draws available funds from the County Treasurer's office at designated times throughout the year.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO FINANCIAL STATEMENT
For the Year Ended June 30, 2026

NOTE L. OTHER INFORMATION - continued

Related Party Transactions: The Salina Education Foundation is a component unit of the District. The Foundation is a not-for-profit organization formed for the education purposes of funding programs, gifts, loans or other assistance for the benefit of the District and its students and employees. During year ended June 30, 2026, the District received funding from the Foundation in the amount of \$67,204. Additionally, the District disbursed \$4,000 to the Foundation

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

Trust agreement: The Stewart Library Endowment is an endowment set up by proceeds from LeVoy C. Nelson Estate. According to the agreement with the estate, the District has set up this endowment for the benefit of the Stewart Elementary Library. According to the agreement, the District may use the earnings on the principal (but not the principal) for improvements to the Library.

NOTE M. SUBSEQUENT EVENTS

Subsequent Events: The District evaluated subsequent events through September 3, 2026, the date the financial statement was available to be issued.

The District sustained significant storm damage from severe weather events on April 27, 2026, and June 8, 2026. The damage, primarily to roofs and vehicles, is currently estimated at approximately \$8 million. Insurance claims have been filed, and repairs are ongoing. The District has a \$100,000 insurance deductible for each event.

As of September 3, 2026, the District had received \$4,230,066 in insurance proceeds to help cover the costs of repairs. The District is also working with FEMA to recover eligible losses and expenses not covered by insurance.

**REQUIRED
REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

SALINA UNIFIED SCHOOL DISTRICT NO. 305

Salina, Kansas

Schedule 1

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended June 30, 2026

	<u>Certified Budget</u>	<u>Adjustments To Comply with Legal Max</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget For Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over (Under)</u>
Governmental Type Funds						
General Funds						
General Fund	\$ 61,050,975	\$ (745,347)	\$ 815,871	\$ 61,121,499	\$ 61,121,499	\$ 0
Supplemental General	20,287,681	(245,767)	0	20,041,914	20,041,914	0
Special Purpose Funds						
Adult Education	775,000	0	0	775,000	730,008	(44,992)
Preschool-Aged At Risk	308,200	0	0	308,200	307,358	(842)
At Risk (K-12)	14,700,000	0	0	14,700,000	14,350,000	(350,000)
Bilingual Education	1,190,000	0	0	1,190,000	1,163,279	(26,721)
Virtual Education	475,000	0	0	475,000	334,980	(140,020)
Capital Outlay	17,385,434	0	0	17,385,434	12,415,830	(4,969,604)
Driver Training	43,300	0	0	43,300	17,007	(26,293)
Food Service	5,865,660	0	0	5,865,660	4,999,652	(866,008)
Professional Development	915,000	0	0	915,000	484,796	(430,204)
Parent Education	151,146	0	0	151,146	149,084	(2,062)
Summer School	25,000	0	0	25,000	10,446	(14,554)
Special Education	16,478,179	0	0	16,478,179	15,406,450	(1,071,729)
Career and Postsecondary Education	851,450	0	0	851,450	798,520	(52,930)
KPERS Special Retirement Contribution	11,015,327	0	0	11,015,327	10,144,784	(870,543)
Central Kansas Cooperative In Education	33,700,000	0	0	33,700,000	32,063,607	(1,636,393)
Bond and Interest Fund						
Debt Service	11,607,861	0	0	11,607,861	11,607,861	0
Total of all Funds	<u>\$ 196,825,213</u>	<u>\$ (991,114)</u>	<u>\$ 815,871</u>	<u>\$ 196,649,970</u>	<u>\$ 186,147,075</u>	<u>\$ (10,502,895)</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305

Salina, Kansas

Schedule 2a

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		Variance Over (Under)
	2025 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources				
Student Activities	\$ 15,213	\$ 13,492	\$ 0	\$ 13,492
Other	209,923	330,719	0	330,719
County Sources				
Mineral Production Tax	94	101	0	101
State Sources				
General State Aid	49,815,819	51,599,041	51,292,375	306,666
Special Education Aid	8,825,862	8,706,486	9,758,600	(1,052,114)
State Aid Reimbursement	473,976	471,660	0	471,660
Total Cash Receipts	<u>59,340,887</u>	<u>61,121,499</u>	<u>\$ 61,050,975</u>	<u>\$ 70,524</u>
Expenditures				
Instruction	22,549,342	22,421,325	\$ 22,424,900	\$ (3,575)
Student Support Services	3,312,441	3,486,985	3,425,160	61,825
Instructional Support Staff	2,024,813	1,970,793	2,124,381	(153,588)
General Administration	472,316	457,091	520,690	(63,599)
School Administration	3,701,389	4,394,792	4,081,500	313,292
Central Services	2,905,205	2,709,717	2,918,095	(208,378)
Operations and Maintenance	2,313,450	2,128,000	2,515,658	(387,658)
Student Transportation	1,254,464	1,416,481	1,399,620	16,861
Transfers to Other Funds	20,807,467	22,136,315	21,640,971	495,344
Adjustment to Comply with Legal Max	<u>0</u>	<u>0</u>	<u>(745,347)</u>	<u>745,347</u>
Legal General Fund Budget	59,340,887	61,121,499	60,305,628	815,871
Adjustment for Qualifying				
Budget Credits	<u>0</u>	<u>0</u>	<u>815,871</u>	<u>(815,871)</u>
Total Expenditures	<u>59,340,887</u>	<u>61,121,499</u>	<u>\$ 61,121,499</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2b**SUPPLEMENTAL GENERAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance Over (Under)
	2025 Actual	Actual	Budget	
Cash Receipts				
Local Sources				
Ad Valorem Taxes	\$ 8,941,351	\$ 9,325,426	\$ 9,887,123	\$ (561,697)
Delinquent Tax	143,627	114,221	46,569	67,652
County Sources				
Motor Vehicle Tax	887,336	940,996	848,172	92,824
Recreational Vehicle Tax	11,170	11,761	12,186	(425)
Commercial Vehicle Tax	48,290	47,204	43,289	3,915
State Sources				
Supplemental State Aid	9,548,237	9,495,859	9,612,303	(116,444)
Total Cash Receipts	19,580,011	19,935,467	\$ 20,449,642	\$ (514,175)
Expenditures				
Instructional Support Staff	314,347	321,883	\$ 328,620	\$ (6,737)
Central Services	15,566	15,289	17,000	(1,711)
Operations and Maintenance	5,643,414	5,887,677	6,136,943	(249,266)
Transfers to Other Funds	13,516,848	13,817,065	13,805,118	11,947
Adjustment to Comply with Legal Max	0	0	(245,767)	245,767
Legal Fund Budget	19,490,175	20,041,914	20,041,914	0
Adjustment for Qualifying Budget Credits	0	0	0	0
Total Expenditures	19,490,175	20,041,914	\$ 20,041,914	\$ 0
Receipts Over (Under) Expenditures	89,836	(106,447)		
Unencumbered Cash, July 1	654,368	744,204		
Unencumbered Cash, June 30	\$ 744,204	\$ 637,757		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2c**SALINA ADULT EDUCATION CENTER FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
Local Sources				
Ad Valorem Taxes	\$ 412,195	\$ 426,461	\$ 421,884	\$ 4,577
Delinquent Tax	7,007	5,374	2,144	3,230
Other	21,501	12,626	10,000	2,626
Reimbursements	1,657	3,949	0	3,949
County Sources				
Motor Vehicle Tax	43,932	44,238	40,169	4,069
Recreational Vehicle Tax	555	554	577	(23)
Commercial Vehicle Tax	2,332	2,183	2,050	133
State Sources				
State Aid	59,162	50,961	48,902	2,059
Federal Sources				
Federal Aid	153,318	139,203	133,939	5,264
Total Cash Receipts	701,659	685,549	\$ 659,665	\$ 25,884
Expenditures				
Instruction	475,375	480,515	\$ 552,110	\$ (71,595)
Instructional Support Staff	84,261	88,373	91,960	(3,587)
School Administration	103,596	109,555	111,140	(1,585)
Central Services	9,493	10,421	0	10,421
Operations and Maintenance	15,180	41,144	19,790	21,354
Total Expenditures	687,905	730,008	\$ 775,000	\$ (44,992)
Receipts Over (Under) Expenditures	13,754	(44,459)		
Unencumbered Cash, July 1	518,837	532,591		
Unencumbered Cash, June 30	\$ 532,591	\$ 488,132		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2d**PRESCHOOL-AGED AT RISK FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		<u>Variance</u>
	<u>2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash Receipts				
Other Sources				
Transfers from Other Funds	\$ <u>277,242</u>	\$ <u>307,358</u>	\$ <u>308,200</u>	\$ <u>(842)</u>
Expenditures				
Instruction	114,053	0	\$ 0	\$ 0
Instructional Support Staff	30,685	31,438	32,280	(842)
School Administration	72,696	151,760	151,760	0
Operations and Maintenance	<u>59,808</u>	<u>124,160</u>	<u>124,160</u>	<u>0</u>
Total Expenditures	<u>277,242</u>	<u>307,358</u>	\$ <u>308,200</u>	\$ <u>(842)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	\$ <u>0</u>	\$ <u>0</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2e**AT RISK (K-12) FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	2025 Actual	2026		Variance Over (Under)
		Actual	Budget	
Cash Receipts				
Local Sources				
Miscellaneous	\$ 0	\$ 0	\$ 27,245	\$ (27,245)
Other Sources				
Transfers from Other Funds	13,575,001	14,350,000	14,172,755	177,245
Total Cash Receipts	13,575,001	14,350,000	\$ 14,200,000	\$ 150,000
Expenditures				
Instruction	11,717,065	12,411,172	\$ 12,673,925	\$ (262,753)
Student Support Services	1,612,348	1,720,894	1,683,725	37,169
Student Transportation	245,588	217,934	342,350	(124,416)
Total Expenditures	13,575,001	14,350,000	\$ 14,700,000	\$ (350,000)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	500,000	500,000		
Unencumbered Cash, June 30	\$ 500,000	\$ 500,000		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2f**BILINGUAL EDUCATION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		Variance
	<u>2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash Receipts				
Other Sources				
Transfers from Other Funds	\$ <u>825,027</u>	\$ <u>1,163,279</u>	\$ <u>1,190,000</u>	\$ <u>(26,721)</u>
Expenditures				
Instruction	<u>825,027</u>	<u>1,163,279</u>	<u>1,190,000</u>	<u>(26,721)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	\$ <u>0</u>	\$ <u>0</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2g**VIRTUAL EDUCATION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
Other Sources				
Transfer from Other Funds	\$ 391,288	\$ 334,980	\$ 475,000	\$ (140,020)
Total Cash Receipts	<u>391,288</u>	<u>334,980</u>	<u>\$ 475,000</u>	<u>\$ (140,020)</u>
Expenditures				
Instruction	253,551	205,393	\$ 326,590	\$ (121,197)
Instructional Support Staff	21,303	22,523	22,550	(27)
School Administration	102,799	94,065	108,210	(14,145)
Central Services	11,312	11,445	14,700	(3,255)
Operations and Maintenance	<u>2,323</u>	<u>1,554</u>	<u>2,950</u>	<u>(1,396)</u>
Total Expenditures	<u>391,288</u>	<u>334,980</u>	<u>\$ 475,000</u>	<u>\$ (140,020)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2h**CAPITAL OUTLAY FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
Local Sources				
Ad Valorem Taxes	\$ 4,487,168	\$ 4,739,419	\$ 4,657,130	\$ 82,289
Delinquent Tax	74,744	57,469	23,324	34,145
Interest	1,834,076	1,571,606	1,700,000	(128,394)
Other	230,558	214,359	200,000	14,359
County Sources				
Motor Vehicle Tax	468,607	471,781	434,205	37,576
Recreational Vehicle Tax	5,919	5,906	6,238	(332)
Commercial Vehicle Tax	24,873	23,279	22,161	1,118
State Sources				
State Aid	2,156,360	2,107,089	2,131,575	(24,486)
Other Sources				
Transfers from Other Funds	1,000,000	1,300,000	0	1,300,000
Total Cash Receipts	10,282,305	10,490,908	\$ 9,174,633	\$ 1,316,275
Expenditures				
Instruction	2,902,182	3,625,663	\$ 7,044,160	\$ (3,418,497)
Instructional Support Staff	206,702	185,478	259,384	(73,906)
Central Services	170,031	139,084	189,000	(49,916)
Operations and Maintenance	1,995,214	2,032,034	1,436,000	596,034
Student Transportation	126,146	87,327	412,000	(324,673)
Facility Acquisition and Construction	4,968,817	6,346,244	8,044,890	(1,698,646)
Total Expenditures	10,369,092	12,415,830	\$ 17,385,434	\$ (4,969,604)
Receipts Over (Under) Expenditures	(86,787)	(1,924,922)		
Unencumbered Cash, July 1	16,156,153	16,069,366		
Unencumbered Cash, June 30	\$ 16,069,366	\$ 14,144,444		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2i**DRIVER TRAINING FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		<u>Variance</u>
	<u>2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash Receipts				
Local Sources				
Other	\$ 11,077	\$ 8,035	\$ 10,000	\$ (1,965)
State Sources				
State Aid	<u>6,525</u>	<u>10,720</u>	<u>9,450</u>	<u>1,270</u>
Total Cash Receipts	<u>17,602</u>	<u>18,755</u>	<u>\$ 19,450</u>	<u>\$ (695)</u>
Expenditures				
Instruction	14,637	16,145	\$ 40,800	\$ (24,655)
Operations and Maintenance	<u>584</u>	<u>862</u>	<u>2,500</u>	<u>(1,638)</u>
Total Expenditures	<u>15,221</u>	<u>17,007</u>	<u>\$ 43,300</u>	<u>\$ (26,293)</u>
Receipts Over (Under) Expenditures	2,381	1,748		
Unencumbered Cash, July 1	<u>59,343</u>	<u>61,724</u>		
Unencumbered Cash, June 30	<u>\$ 61,724</u>	<u>\$ 63,472</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2j**FOOD SERVICE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
Local Sources				
Food Service	\$ 909,369	\$ 968,818	\$ 1,071,463	\$ (102,645)
Other	35,754	34,958	50,000	(15,042)
State Sources				
State Aid	39,046	39,072	29,512	9,560
Federal Sources				
Federal Aid	3,127,250	3,192,486	3,135,244	57,242
Other Sources				
Transfers from Other Funds	731,695	785,531	750,000	35,531
	<u>4,843,114</u>	<u>5,020,865</u>	<u>\$ 5,036,219</u>	<u>\$ (15,354)</u>
Expenditures				
Operations and Maintenance	48,120	42,932	\$ 54,250	\$ (11,318)
Food Service	4,768,341	4,956,720	5,811,410	(854,690)
	<u>4,816,461</u>	<u>4,999,652</u>	<u>\$ 5,865,660</u>	<u>\$ (866,008)</u>
Receipts Over (Under) Expenditures	26,653	21,213		
Unencumbered Cash, July 1	<u>1,130,014</u>	<u>1,156,667</u>		
Unencumbered Cash, June 30	<u>\$ 1,156,667</u>	<u>\$ 1,177,880</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2k**PROFESSIONAL DEVELOPMENT FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		<u>Variance</u>
	<u>2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash receipts				
State Sources				
State Aid	\$ 73,268	\$ 0	\$ 0	\$ 0
Other Sources				
Transfers from Other Funds	<u>650,000</u>	<u>508,226</u>	<u>690,000</u>	<u>(181,774)</u>
Total Cash Receipts	<u>723,268</u>	<u>508,226</u>	<u>\$ 690,000</u>	<u>\$ (181,774)</u>
Expenditures				
Instructional Support Staff	<u>559,548</u>	<u>484,796</u>	<u>\$ 915,000</u>	<u>\$ (430,204)</u>
Total Expenditures	<u>559,548</u>	<u>484,796</u>	<u>\$ 915,000</u>	<u>\$ (430,204)</u>
Receipts Over (Under) Expenditures	163,720	23,430		
Unencumbered Cash, July 1	<u>744,845</u>	<u>908,565</u>		
Unencumbered Cash, June 30	<u>\$ 908,565</u>	<u>\$ 931,995</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 21**PARENT EDUCATION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
State Sources				
State Aid	\$ 95,050	\$ 97,550	\$ 97,550	\$ 0
Other Sources				
Transfers from Other Funds	51,534	51,534	51,534	0
Total Cash Receipts	<u>146,584</u>	<u>149,084</u>	<u>\$ 149,084</u>	<u>\$ 0</u>
Expenditures				
Student Support Services	142,885	145,534	\$ 150,146	\$ (4,612)
Instructional Support Staff	<u>3,699</u>	<u>3,550</u>	<u>1,000</u>	<u>2,550</u>
Total Expenditures	<u>146,584</u>	<u>149,084</u>	<u>\$ 151,146</u>	<u>\$ (2,062)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>51,534</u>	<u>51,534</u>		
Unencumbered Cash, June 30	<u>\$ 51,534</u>	<u>\$ 51,534</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2m**SUMMER SCHOOL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		<u>2026</u>		Variance
	<u>2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Over</u>
	<u>Actual</u>			<u>(Under)</u>
Cash Receipts				
Local Sources				
Other	\$ <u>6,750</u>	\$ <u>9,690</u>	\$ <u>12,000</u>	\$ <u>(2,310)</u>
Expenditures				
Instruction	<u>8,073</u>	<u>10,446</u>	\$ <u>25,000</u>	\$ <u>(14,554)</u>
Receipts Over (Under) Expenditures	(1,323)	(756)		
Unencumbered Cash, July 1	<u>16,738</u>	<u>15,415</u>		
Unencumbered Cash, June 30	\$ <u>15,415</u>	\$ <u>14,659</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2n**SPECIAL EDUCATION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash receipts				
Other Sources				
Miscellaneous	\$ 0	\$ 53,488	\$ 0	\$ 53,488
Transfers from Other Funds	<u>15,072,125</u>	<u>15,353,952</u>	<u>16,208,600</u>	<u>(854,648)</u>
Total Cash Receipts	<u>15,072,125</u>	<u>15,407,440</u>	<u>\$ 16,208,600</u>	<u>\$ (801,160)</u>
Expenditures				
Instruction	12,490,154	13,234,897	\$ 14,310,380	\$ (1,075,483)
Special Area Admin Services	497,156	526,627	522,575	4,052
Student Transportation	<u>1,537,262</u>	<u>1,644,926</u>	<u>1,645,224</u>	<u>(298)</u>
Total Expenditures	<u>14,524,572</u>	<u>15,406,450</u>	<u>\$ 16,478,179</u>	<u>\$ (1,071,729)</u>
Receipts Over (Under) Expenditures	547,553	990		
Unencumbered Cash, July 1	<u>4,732,447</u>	<u>5,280,000</u>		
Unencumbered Cash, June 30	<u>\$ 5,280,000</u>	<u>\$ 5,280,990</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2o**CAREER AND POSTSECONDARY EDUCATION****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025	Actual	Budget	Over
	Actual			(Under)
Cash Receipts				
State Sources				
State Aid	\$ 648	\$ 0	\$ 1,450	\$ (1,450)
Other Sources				
Transfers from Other Funds	750,404	798,520	850,000	(51,480)
Total Cash Receipts	751,052	798,520	\$ 851,450	\$ (52,930)
Expenditures				
Instruction	745,694	798,520	\$ 842,500	\$ (43,980)
Transportation	5,358	0	8,950	(8,950)
Total Expenditures	751,052	798,520	\$ 851,450	\$ (52,930)
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	0	0		
Unencumbered Cash, June 30	\$ 0	\$ 0		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2p**KPERS SPECIAL RETIREMENT CONTRIBUTION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
State Sources				
State Aid	\$ 9,769,692	\$ 10,144,784	\$ 11,015,327	\$ (870,543)
Total Cash Receipts	<u>9,769,692</u>	<u>10,144,784</u>	<u>\$ 11,015,327</u>	<u>\$ (870,543)</u>
Expenditures				
Instruction	6,227,296	6,396,135	\$ 7,178,936	\$ (782,801)
Student Support Services	1,182,329	1,289,479	1,362,956	(73,477)
Instructional Support Staff	747,013	699,082	496,992	202,090
General Administration	160,853	167,615	191,528	(23,913)
School Administration	412,894	506,616	536,540	(29,924)
Central Services	293,002	280,658	339,761	(59,103)
Operations and Maintenance	486,134	525,511	593,530	(68,019)
Student Transportation	9,033	5,704	6,527	(823)
Food Service	251,138	273,984	308,557	(34,573)
Total Expenditures	<u>9,769,692</u>	<u>10,144,784</u>	<u>\$ 11,015,327</u>	<u>\$ (870,543)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, July 1	<u>0</u>	<u>0</u>		
Unencumbered Cash, June 30	<u>\$ 0</u>	<u>\$ 0</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2q**CENTRAL KANSAS COOPERATIVE IN EDUCATION FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash receipts				
Local Sources				
Payments From Other Districts/				
Gov't Sources	\$ 24,290,702	\$ 25,692,900	\$ 25,710,912	\$ (18,012)
Other	82,483	162,049	570,000	(407,951)
Federal Sources				
Federal Aid	3,680,189	3,728,998	3,680,189	48,809
Medicaid	1,093,368	1,542,867	1,300,000	242,867
Total Cash Receipts	<u>29,146,742</u>	<u>31,126,814</u>	<u>\$ 31,261,101</u>	<u>\$ (134,287)</u>
Expenditures				
Instruction	21,755,056	22,180,137	\$ 23,983,605	\$ (1,803,468)
Student Support Services	7,098,775	7,280,602	7,295,420	(14,818)
Instructional Support Staff	1,012,881	988,093	961,000	27,093
General Administration	1,210,013	1,459,524	1,255,500	204,024
Operations and Maintenance	180,285	154,168	200,475	(46,307)
Transportation	3,900	1,083	4,000	(2,917)
Total Expenditures	<u>31,260,910</u>	<u>32,063,607</u>	<u>\$ 33,700,000</u>	<u>\$ (1,636,393)</u>
Receipts Over (Under) Expenditures	(2,114,168)	(936,793)		
Unencumbered Cash, July 1	<u>5,198,271</u>	<u>3,084,103</u>		
Unencumbered Cash, June 30	<u>\$ 3,084,103</u>	<u>\$ 2,147,310</u>		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2r**HEALTH INSURANCE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	<u>2025 Actual</u>	<u>2026 Actual</u>
Cash Receipts		
Local Sources		
Interest	\$ 325,307	\$ 296,030
Miscellaneous	0	99,658
Employee Paid Health Insurance	3,521,830	3,701,621
Retiree Paid Health Insurance	233,006	269,889
Other Sources		
Employer Paid Health Insurance	<u>8,084,525</u>	<u>9,765,776</u>
 Total Cash Receipts	<u>12,164,668</u>	<u>14,132,974</u>
 Expenditures		
Claims and Administrative Services	<u>12,877,884</u>	<u>13,367,268</u>
 Total expenditures	<u>12,877,884</u>	<u>13,367,268</u>
 Receipts Over (Under) Expenditures	(713,216)	765,706
 Unencumbered Cash, July 1	<u>8,121,420</u>	<u>7,408,204</u>
 Unencumbered Cash, June 30	<u>\$ 7,408,204</u>	<u>\$ 8,173,910</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2s**CONTINGENCY RESERVE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	2025 Actual	2026 Actual
Cash Receipts		
Other Sources		
Transfers from Other Funds	\$ 0	\$ 0
Total Cash Receipts	0	0
Expenditures		
Transfers to Other Funds	0	0
Total Expenditures	0	0
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, July 1	4,152,091	4,152,091
Unencumbered Cash, June 30	\$ 4,152,091	\$ 4,152,091

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2t**TEXTBOOK RENTAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	2025 Actual	2026 Actual
Cash Receipts		
Local Sources		
Rental Fees and Other	\$ 191,528	\$ 187,066
Other Sources		
Transfers from Other Funds	<u>1,000,000</u>	<u>1,000,000</u>
Total Cash Receipts	<u>1,191,528</u>	<u>1,187,066</u>
Expenditures		
Instruction	<u>666,109</u>	<u>703,519</u>
Receipts Over (Under) Expenditures	525,419	483,547
Unencumbered Cash, July 1	<u>1,142,680</u>	<u>1,668,099</u>
Unencumbered Cash, June 30	<u>\$ 1,668,099</u>	<u>\$ 2,151,646</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Schedule 2u

FEDERAL GRANT FUNDS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2026
(With Comparative Actual for the Prior Year Ended June 30, 2025)

	Head Start				Title I			Title II A
	Federal	Kansas	Summer Food	CACFP	Part D	Low Income	Carryover	Improve Teacher Quality
Cash Receipts								
Local Sources								
Other	\$ 184,824	\$ 0	\$ 22	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
State Sources								
Other	0	295,405	0	0	0	0	0	0
Federal Sources								
Federal Aid	5,979,575	824,216	1,755	260,635	212,014	1,480,562	114,951	271,334
Other Sources								
Transfers from Other Funds	0	0	0	0	0	0	0	10,000
Total cash receipts	6,164,399	1,119,621	1,777	260,635	212,014	1,480,562	114,951	281,334
Expenditures								
Instruction	2,680,032	621,806	0	0	119,312	1,408,241	114,951	0
Student Support Services	430,184	134,000	0	0	0	123,184	0	0
Instruction Support Staff	2,307,678	306,018	0	0	0	389	0	277,688
General Administration	7,005	0	0	0	0	45,987	0	0
School Administration	79,575	747	0	0	87,291	0	0	0
Central Services	40,029	0	0	0	0	0	0	0
Operations and Maintenance	452,527	3,486	0	0	0	0	0	0
Student Transportation	125,362	5,219	0	0	0	0	0	0
Food Service	108,589	40,199	1,953	274,041	0	0	0	0
Transfers	0	0	0	0	0	0	0	0
Total Expenditures	6,230,981	1,111,475	1,953	274,041	206,603	1,577,801	114,951	277,688
Receipts Over (Under) Expenditures	(66,582)	8,146	(176)	(13,406)	5,411	(97,239)	0	3,646
Unencumbered Cash, July 1	(79,349)	(71,008)	1,794	75,176	(6,565)	(429)	0	(5,346)
Unencumbered Cash, June 30	\$ (145,931)	\$ (62,862)	\$ 1,618	\$ 61,770	\$ (1,154)	\$ (97,668)	\$ 0	\$ (1,700)

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Schedule 2u

FEDERAL GRANT FUNDS (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2026
(With Comparative Actual for the Prior Year Ended June 30, 2025)

	Title III	Title IV A	Title VI B			KS Stronger
	English	Student Supp.	Improvement	Carl	TASN	Connection
	Language Acq.	& Acad. Enrich	Plan	Perkins	SMHI	Grant
Cash Receipts						
Local Sources						
Other	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0
State Sources						
Other	0	0	0	0	0	0
Federal Sources						
Federal Aid	56,428	110,014	110,633	82,419	2,500	275,151
Other Sources						
Transfers from Other Funds	0	0	0	0	0	0
Total cash receipts	<u>56,428</u>	<u>110,014</u>	<u>110,633</u>	<u>82,419</u>	<u>2,500</u>	<u>275,151</u>
Expenditures						
Instruction	56,428	15,711	0	82,419	0	0
Student Support Services	0	1,117	40,440	0	0	0
Instruction Support Staff	0	77,466	70,193	0	2,251	217,406
General Administration	0	2,240	0	0	0	5,800
School Administration	0	0	0	0	0	0
Central Services	0	0	0	0	0	0
Operations and Maintenance	0	0	0	0	0	0
Student Transportation	0	2,641	0	0	0	0
Food Service	0	0	0	0	0	0
Transfers	0	10,000	0	0	0	0
Total Expenditures	<u>56,428</u>	<u>109,175</u>	<u>110,633</u>	<u>82,419</u>	<u>2,251</u>	<u>223,206</u>
Receipts Over (Under) Expenditures	0	839	0	0	249	51,945
Unencumbered Cash, July 1	0	(5,684)	0	0	3,391	(85,592)
Unencumbered Cash, June 30	\$ <u>0</u>	\$ <u>(4,845)</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>3,640</u>	\$ <u>(33,647)</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Schedule 2u

FEDERAL GRANT FUNDS (CONTINUED)
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended June 30, 2026
(With Comparative Actual for the Prior Year Ended June 30, 2025)

	SPS Teacher Apprenticeships	ESEA School Improvement Fund	Other Federal Grants	Totals June 30, 2026	Totals June 30, 2025
Cash Receipts					
Local Sources					
Other	\$ 0	\$ 0	\$ 0	\$ 184,846	\$ 227,399
State Sources					
Other	0	0	0	295,405	261,845
Federal Sources					
Federal Aid	114,364	241,471	18,866	10,156,888	12,935,003
Other Sources					
Transfers from Other Funds	0	0	0	10,000	0
Total cash receipts	<u>114,364</u>	<u>241,471</u>	<u>18,866</u>	<u>10,647,139</u>	<u>13,424,247</u>
Expenditures					
Instruction	0	234,225	0	5,333,125	5,309,612
Student Support Services	0	0	4,800	733,725	859,059
Instruction Support Staff	128,744	7,381	16,115	3,411,329	4,056,979
General Administration	0	0	0	61,032	52,235
School Administration	0	3,401	0	171,014	221,251
Central Services	0	0	0	40,029	42,236
Operations and Maintenance	0	0	0	456,013	344,062
Student Transportation	0	0	0	133,222	110,254
Food Service	0	0	0	424,782	432,066
Transfers	0	0	0	10,000	0
Total Expenditures	<u>128,744</u>	<u>245,007</u>	<u>20,915</u>	<u>10,774,271</u>	<u>11,427,754</u>
Receipts Over (Under) Expenditures	(14,380)	(3,536)	(2,049)	(127,132)	1,996,493
Unencumbered Cash, July 1	<u>(4,260)</u>	<u>(4,146)</u>	<u>0</u>	<u>(182,018)</u>	<u>(2,178,511)</u>
Unencumbered Cash, June 30	<u>\$ (18,640)</u>	<u>\$ (7,682)</u>	<u>\$ (2,049)</u>	<u>\$ (309,150)</u>	<u>\$ (182,018)</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Schedule 2v

GIFTS AND GRANT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	<u>CKCIE Transition</u>	<u>Head Start Nonfederal</u>	<u>Kansas Preschool Pilot</u>	<u>Mental Health Intervention</u>	<u>Other Grants</u>
Cash Receipts					
Local Sources					
Other	\$ 1,200	\$ 5,865	\$ 0	\$ 0	\$ 225,953
State Sources					
State Aid	0	0	94,900	459,200	0
Federal Sources					
Federal Aid	<u>0</u>	<u>0</u>	<u>105,479</u>	<u>0</u>	<u>0</u>
Total Cash Receipts	<u>1,200</u>	<u>5,865</u>	<u>200,379</u>	<u>459,200</u>	<u>225,953</u>
Expenditures					
Instruction	0	0	67,419	0	227,912
Student Support Services	0	3,694	45,265	496,981	0
Instruction Support Staff	95	0	16,796	0	0
School Administration	0	365	0	0	0
Other Support Services	0	0	0	0	0
Operations and Maintenance	0	0	51,371	0	0
Student Transportation	0	0	907	0	0
Food Service	<u>0</u>	<u>0</u>	<u>8,042</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>95</u>	<u>4,059</u>	<u>189,800</u>	<u>496,981</u>	<u>227,912</u>
Receipts Over (Under) Expenditures	1,105	1,806	10,579	(37,781)	(1,959)
Unencumbered Cash, July 1	<u>7,239</u>	<u>8,598</u>	<u>(57,816)</u>	<u>(65,000)</u>	<u>70,742</u>
Unencumbered Cash, June 30	\$ <u>8,344</u>	\$ <u>10,404</u>	\$ <u>(47,237)</u>	\$ <u>(102,781)</u>	\$ <u>68,783</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305
Salina, Kansas

Schedule 2v

GIFTS AND GRANT FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	<u>Social Worker Overcoming Barriers</u>	<u>Teacher Leadership Academy</u>	<u>Athletic Advertising</u>	<u>Eager Reader McCune Foundation</u>	<u>Recruitment & Retention</u>	<u>Totals June 30, 2026</u>	<u>Totals June 30, 2025</u>
Cash Receipts							
Local Sources							
Other	\$ 1,000	\$ 17,000	\$ 80,950	\$ 80,000	\$ 30,000	\$ 441,968	\$ 433,219
State Sources							
State Aid	0	0	0	0	0	554,100	530,515
Federal Sources							
Federal Aid	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>105,479</u>	<u>83,269</u>
Total Cash Receipts	<u>1,000</u>	<u>17,000</u>	<u>80,950</u>	<u>80,000</u>	<u>30,000</u>	<u>1,101,547</u>	<u>1,047,003</u>
Expenditures							
Instruction	0	0	85,717	81,053	46,881	508,982	526,657
Student Support Services	1,386	0	0	0	0	547,326	460,291
Instruction Support Staff	0	3,693	0	0	0	20,584	15,067
School administration	0	0	0	0	0	365	2
Other Support Services	0	0	733	0	817	1,550	2,388
Operations and Maintenance	0	0	0	0	0	51,371	144,018
Student Transportation	0	0	0	0	0	907	977
Food Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,042</u>	<u>5,177</u>
Total Expenditures	<u>1,386</u>	<u>3,693</u>	<u>86,450</u>	<u>81,053</u>	<u>47,698</u>	<u>1,139,127</u>	<u>1,154,577</u>
Receipts Over (Under) Expenditures	(386)	13,307	(5,500)	(1,053)	(17,698)	(37,580)	(107,574)
Unencumbered Cash, July 1	<u>1,986</u>	<u>17,590</u>	<u>6,500</u>	<u>4,485</u>	<u>17,698</u>	<u>12,022</u>	<u>119,596</u>
Unencumbered Cash, June 30	<u>\$ 1,600</u>	<u>\$ 30,897</u>	<u>\$ 1,000</u>	<u>\$ 3,432</u>	<u>\$ 0</u>	<u>\$ (25,558)</u>	<u>\$ 12,022</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2w**BOND AND INTEREST FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

		2026		Variance
	2025			Over
	Actual	Actual	Budget	(Under)
Cash Receipts				
Local Sources				
Ad Valorem Taxes	\$ 5,637,930	\$ 5,937,757	\$ 5,772,951	\$ 164,806
Delinquent Tax	94,926	73,116	29,342	43,774
County Sources				
Motor Vehicle Tax	587,654	599,989	542,941	57,048
Recreational Vehicle Tax	7,418	7,506	7,800	(294)
Commercial Vehicle Tax	31,317	29,819	27,711	2,108
State Sources				
State Aid	5,336,527	4,991,380	4,991,380	0
Total Cash Receipts	11,695,772	11,639,567	\$ 11,372,125	\$ 267,442
Expenditures				
Debt Service	11,354,312	11,607,861	\$ 11,607,861	\$ 0
Total Expenditures	11,354,312	11,607,861	\$ 11,607,861	\$ 0
Receipts Over (Under) Expenditures	341,460	31,706		
Unencumbered Cash, July 1	7,271,667	7,613,127		
Unencumbered Cash, June 30	\$ 7,613,127	\$ 7,644,833		

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 2x**STEWART LIBRARY TRUST FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended June 30, 2026

(With Comparative Actual for the Prior Year Ended June 30, 2025)

	2025 Actual	2026 Actual
Cash Receipts		
Local Sources		
Interest	\$ 1,385	\$ 1,434
Expenditures		
Student Support Services	0	468
Receipts Over (Under) Expenditures	1,385	966
Unencumbered Cash, July 1	33,753	35,138
Unencumbered Cash, June 30	\$ 35,138	\$ 36,104

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 3**AGENCY FUNDS****SCHEDULE OF RECEIPTS, EXPENDITURES, AND CASH BALANCES****REGULATORY BASIS**

For the Year Ended June 30, 2026

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Ending Cash Balance</u>
Student Organization Funds				
Central High School	\$ 257,903	\$ 350,312	\$ 385,388	\$ 222,827
South High School	169,329	285,912	281,276	173,965
Lakewood Middle School	22,710	36,895	41,571	18,034
South Middle School	26,647	41,411	39,571	28,487
Heusner Elementary School	2,154	2,745	2,569	2,330
Special Education	10,868	27,493	21,922	16,439
Subtotal Student Organization Funds	489,611	744,768	772,297	462,082
Other Agency funds	4,008,484	0	365,648	3,642,836
Total Student Organization Funds	\$ <u>4,498,095</u>	\$ <u>744,768</u>	\$ <u>1,137,945</u>	\$ <u>4,104,918</u>

See Independent Auditor's Report.

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas**Schedule 4**DISTRICT ACTIVITY FUNDS****SCHEDULE OF RECEIPTS, EXPENDITURES, AND CASH BALANCES****REGULATORY BASIS**

For the Year Ended June 30, 2026

	Beginning Cash Balance	Cash Receipts	Expenditures	Ending Cash Balance
Central High School				
BOE Funds	\$ 0	\$ 12,856	\$ 12,856	\$ 0
Athletic Gate Receipts	108,383	175,591	169,053	114,921
Special Projects	74,959	73,273	79,426	68,806
Subtotal Central High School	183,342	261,720	261,335	183,727
South High School				
BOE Funds	0	14,228	14,188	40
Athletic Gate Receipts	83,509	182,439	178,186	87,762
Special Projects	37,991	341,449	336,375	43,065
Subtotal South High School	121,500	538,116	528,749	130,867
Lakewood Middle School				
BOE Funds	0	785	785	0
Athletic Gate Receipts	31,105	31,772	31,689	31,188
Special Projects	22,550	43,436	45,995	19,991
Subtotal Lakewood Middle School	53,655	75,993	78,469	51,179
South Middle School				
BOE Funds	0	1,664	1,664	0
Athletic Gate Receipts	31,872	32,144	19,210	44,806
Special Projects	20,050	27,146	25,090	22,106
Subtotal South Middle School	51,922	60,954	45,964	66,912
Special Education	228	2,009	1,935	302
Total District Activity Funds	\$ 410,647	\$ 938,792	\$ 916,452	\$ 432,987

See Independent Auditor's Report

Salina Unified School District Number 305

Salina, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2026

Federal Grantor/ Pass Through Grantor/ Program Title or Cluster Title	Federal CFDA Number	Program Revenue Amount	Program Expenditure Amount
U.S DEPARTMENT OF AGRICULTURE			
<i>Pass-through Kansas Department of Education</i>			
Child Nutrition Cluster			
School Breakfast Program	10.553	\$ 509,449	\$ 509,449
National School Lunch Program (NSLP)	10.555	2,596,691	2,596,691
Summer Food Service Program	10.559	88,101	88,101
Total Child Nutrition Cluster		3,194,241	3,194,241
Child and Adult Care Food Program	10.558	260,634	260,634
TOTAL DEPARTMENT OF AGRICULTURE		3,454,875	3,454,875
U.S. DEPARTMENT OF EDUCATION			
<i>Pass-through Kansas Department of Education</i>			
Adult Education-Basic Grants to States	84.002	139,203	139,203
Title I Grants	84.010	2,048,998	2,144,362
Career and Technical Education	84.048	82,419	82,419
Safe and Drug Free Schools and Community	84.148	2,500	2,251
Education for Homeless Children & Youth	84.196	18,866	20,915
English Language Acquisition	84.365	56,428	56,428
Improving Teacher Quality State Grants	84.367	271,334	277,688
Student Support & Academic Enrichment Grants	84.424	385,165	332,382
		3,004,913	3,055,648
Special Education Cluster			
Special Education - Grants to States	84.027	3,724,854	3,724,854
Special Education - Preschool Grants	84.173	114,777	114,777
Total Special Education Cluster		3,839,631	3,839,631
TOTAL DEPARTMENT OF EDUCATION		6,844,544	6,895,279

See accompanying notes to this schedule.

Salina Unified School District Number 305
Salina, Kansas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2026

Federal Grantor/ Pass Through Grantor/ Program Title or Cluster Title	Federal CFDA Number	Program Revenue Amount	Program Expenditure Amount
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Direct aid</i>			
Head Start Cluster			
Early Head Start - Childcare Partnership	93.575	\$ 626,296	\$ 616,070
Temporary Assistance for Needy Families	93.558	303,400	294,900
Head Start	93.600	5,975,000	6,041,582
Total Head Start Cluster		6,904,696	6,952,552
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES		6,904,696	6,952,552
U.S. DEPARTMENT OF LABOR			
<i>Pass-through Kansas Department of Education</i>			
Registered Apprenticeship	17.285	114,364	110,105
TOTAL FEDERAL AWARDS		\$ 17,318,479	\$ 17,412,811

Medicaid is not considered federal funds for purposes of the Schedule of Federal Awards.
The District did not provide federal awards to sub-recipients for the year ended June 30, 2026

See accompanying notes to this schedule.

Salina Unified School District Number 305
Salina, Kansas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2026

NOTE A. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Salina Unified School District Number 305 under programs of the federal government for the year ended June 30, 2026. 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 operations of Salina Unified School District Number 305, it is not intended to and does not present the financial position, changes in net assets or cash flows of the District.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the regulatory basis of accounting as described in the *Kansas Municipal Audit and Accounting Guide* (KMAAG). The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above. Expenditures as reported on the Schedule are recognized under the basis described above and follow the cost principles contained in the Uniform Guidance regarding *Cost Principles* wherein certain types of expenditures are not allowed or are limited as to reimbursement. 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.

NOTE C. NON-CASH ASSISTANCE, INSURANCE AND LOANS

The District did not receive or expend any Federal awards in the form of noncash assistance, insurance, loans or loan guarantees for the year ended June 30, 2026.

NOTE D. INDIRECT COST RATES

The District has elected not to use the 10 percent de-minimis indirect cost rate allowed under the Uniform Guidance.

SPECIAL REPORTS

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

Board of Education
Salina Unified School District Number 305
Salina, Kansas

We have audited, 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, the financial statements of Salina Unified School District Number 305, Salina, Kansas, as of and for the year ended June 30, 2026, and the related notes to the financial statements, which comprise the District's regulatory basis financial statements, and have issued our report thereon dated September 3, 2026. The District prepares its financial statement on a regulatory basis of accounting which demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide*, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Report Internal Control over Financial Reporting

In planning and performing our audit of the financial statement, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

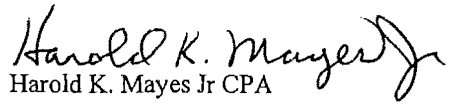
Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we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

Report Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the 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.


Harold K. Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 3, 2026

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

Board of Education
Salina Unified School District Number 305
Salina, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Salina Unified School District Number 305's 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 Salina Unified School District Number 305's major federal programs for the year ended June 30, 2026. Salina Unified School District Number 305'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, Salina Unified School District Number 305 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, 2026.

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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Salina Unified School District Number 305 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Salina Unified School District Number 305'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 Salina Unified School District Number 305'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 Salina Unified School District Number 305's compliance based on our audit. Reasonable assurance is a high level of assurance but

is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Salina Unified School District Number 305's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Salina Unified School District Number 305'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 Salina Unified School District Number 305'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 Salina Unified School District Number 305'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.

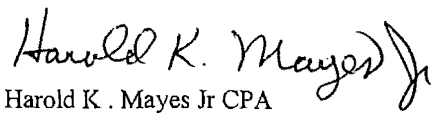
Report on Internal Control over Compliance

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 black ink, reading "Harold K. Mayes Jr." with a stylized flourish at the end.

Harold K. Mayes Jr CPA
Agler & Gaeddert, Chartered
Ottawa, Kansas
September 3, 2026

SALINA UNIFIED SCHOOL DISTRICT NO. 305**Salina, Kansas****SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

For Year Ended June 30, 2026

SUMMARY OF AUDITOR'S RESULTS**Financial Statements**

Prepared in accordance with GAAP:

Adverse

Type of report the auditor issued on whether the financial statement audited was prepared in accordance with regulatory basis:

Unmodified

Internal control over financial reporting

Material weakness(es) identified?

No

Significant deficiencies identified not considered to be material weaknesses:

None reported

Noncompliance material to financial statements noted?

No**Federal Awards**

Internal control over major programs:

Material weakness(es) identified?

No

Significant deficiencies identified not considered to be material weaknesses:

No

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

Identification of major programs:

<u>CFDA Numb</u>	<u>Name of Federal Program or Cluster</u>	<u>Amount</u>
U.S. Department of Health and Human Services		
Head Start Cluster		
84.027	Grants to States	\$ 3,724,854
84.173	Preschool Grants	114,777
	Total Head Start Cluster	<u>3,839,631</u>
U.S. Department of Agriculture		
Child Nutrition Cluster		
10.553	School Breakfast Program	\$ 509,449
10.555	National School Lunch Program	2,596,691
10.559	Summer Food Service Program	88,101
	Total Child Nutrition Cluster	<u>3,194,241</u>
U.S. Department of Education		
84.010	Title I	<u>2,144,362</u>
84.367	Title II A-Improving Teacher Quality	<u>277,688</u>
	Total Special Education Cluster	<u>277,688</u>
	Total U.S. Department of Education	<u>2,422,050</u>
	Total	<u>\$ 9,455,922</u>

Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,000,000

Auditee qualified as a low-risk auditee?

No

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