

NORTH SLOPE BOROUGH SCHOOL DISTRICT
(A Component Unit of the North Slope Borough, Alaska)

Basic Financial Statements, Required Supplementary Information,
Supplementary Information and Compliance Reports

Year Ended June 30, 2023

NORTH SLOPE BOROUGH SCHOOL DISTRICT
(A Component Unit of the North Slope Borough, Alaska)

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Supplementary Information and Compliance Reports

Year Ended June 30, 2023

NORTH SLOPE BOROUGH SCHOOL DISTRICT

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Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Slope Borough School District (District), a component unit of the North Slope Borough, Alaska, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Information on pages 41-42, and the Schedules of the District's Proportionate Share of Net Pension and OPEB Liabilities and Assets and Contributions for the Public Employees' Retirement System and Teachers' Retirement System and notes to the Required Supplementary Information on pages 43-53, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The information listed in the table of contents as "Supplementary Information", which includes the Major Governmental Fund: Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual; Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues; Expenditures and Changes in Fund Balances – Budget to Actual - Other Governmental Special Revenue Funds; Schedule of Compliance AS 14.17.505; Schedule of Expenditures of Federal Awards and related notes, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Schedule of State Financial Assistance and related notes as required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Members of the School Board
North Slope Borough School District

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated September 21, 2023 on our consideration of North Slope Borough School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the North Slope Borough School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering North Slope Borough School District's internal control over financial reporting and compliance.

Altman, Rogers & Co.

Anchorage, Alaska
September 21, 2023

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Net Position

June 30, 2023

<u>Assets and Deferred Outflows of Resources</u>	<u>Governmental Activities</u>
Current:	
Cash and cash equivalents	\$ 27,476,492
Accounts receivable	528,208
Grants receivable	3,539,307
Inventories	417,683
Prepaid items	4,039,048
Total current assets	<u>36,000,738</u>
Long-term:	
Capital assets	11,808,741
Accumulated depreciation and amortization	<u>(10,152,480)</u>
Total non-current assets	<u>1,656,261</u>
Net OPEB assets	16,917,548
Deferred outflows of resources:	
Pension and OPEB deferrals	<u>6,131,659</u>
Total assets and deferred outflows of resources	<u>\$ 60,706,206</u>
 <u>Liabilities and Deferred Inflows of Resources</u> 	
Current:	
Accounts payable	1,470,579
Accrued payroll liabilities	3,470,214
Self-insurance liability	4,806,754
Unearned revenue	487,027
Current portion of lease liabilities	8,540
Total current	<u>10,243,114</u>
Long-term:	
Lease liability	39,880
Net pension liabilities	<u>35,680,200</u>
Total non-current liabilities	<u>35,720,080</u>
Deferred inflows of resources:	
Pension and OPEB deferrals	<u>1,959,639</u>
Total liabilities and deferred inflows of resources	<u>47,922,833</u>
 <u>Net Position</u> 	
Net investment in capital assets	1,607,841
Unrestricted	<u>11,175,532</u>
Total net position	<u>\$ 12,783,373</u>

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

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Activities

Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Total Governmental Activities
Governmental activities:				
Instruction	\$ 19,984,149	-	1,000,386	(18,983,763)
Special education instruction	2,941,331	-	(87,502)	(3,028,833)
Special education support services - students	1,028,883	-	808,700	(220,183)
Support services - students	2,515,777	-	214,493	(2,301,284)
Support services - instruction	11,199,424	-	2,268,878	(8,930,546)
School administration	3,055,040	-	(109,332)	(3,164,372)
School administration support services	1,029,287	-	(9,321)	(1,038,608)
District administration	1,557,407	-	11,413	(1,545,994)
District administration support services	2,220,161	-	143,211	(2,076,950)
Operations and maintenance of plant	16,855,080	1,453,639	479,907	(14,921,534)
Student activities	3,250,952	-	597,067	(2,653,885)
Student transportation - to and from school	1,711,296	-	2,275,748	564,452
Community services	184,506	-	8,466	(176,040)
Food services	3,871,029	20,375	1,346,241	(2,504,413)
Total governmental activities	\$ 71,404,322	1,474,014	8,948,355	(60,981,953)
General revenues:				
Borough appropriation			\$ 43,697,500	
State grants and entitlements not restricted to specific programs			19,529,548	
Federal grants and entitlements not restricted to specific programs			618,740	
Unrestricted investment earnings			1,558,615	
E-Rate			4,104,659	
Other			183,976	
Total general revenues			69,693,038	
Change in net position				8,711,085
Net Position, beginning of year				4,072,288
Net position - ending				\$ 12,783,373

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

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Balance Sheet - Governmental Funds

June 30, 2023

	General (School) Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and cash equivalents	\$ 27,476,492	-	-	27,476,492
Accounts receivable	513,808	-	14,400	528,208
Grants receivable	-	513,366	3,025,941	3,539,307
Inventory	-	417,683	-	417,683
Prepaid items	2,885,381	-	1,153,667	4,039,048
Due from other funds	2,174,296	7,055,504	6,010,249	15,240,049
Total assets	\$ 33,049,977	7,986,553	10,204,257	51,240,787
<u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	465,184	18,682	986,713	1,470,579
Accrued payroll liabilities	3,470,214	-	-	3,470,214
Self-insurance liability	4,806,754	-	-	4,806,754
Unearned revenue	-	-	487,027	487,027
Due to other funds	13,065,753	-	2,174,296	15,240,049
Total liabilities	21,807,905	18,682	3,648,036	25,474,623
Fund balances:				
Nonspendable:				
Inventory	-	417,683	-	417,683
Prepaid items	2,885,381	-	1,153,667	4,039,048
Committed:				
Pupil transportation	-	-	2,627,753	2,627,753
Student activities	-	-	614,863	614,863
Assigned:				
Community education	-	-	746,914	746,914
Instruction	2,674,819	-	444,120	3,118,939
Food services	-	7,550,188	-	7,550,188
Teacher housing	-	-	968,904	968,904
Unassigned	5,681,872	-	-	5,681,872
Total fund balances	11,242,072	7,967,871	6,556,221	25,766,164
Total liabilities and fund balances	\$ 33,049,977	7,986,553	10,204,257	51,240,787

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

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position

June 30, 2023

Total fund balance - governmental funds		\$	25,766,164
Amounts reported for governmental activities in the Statement of Net Position are different because:			
Capital assets in governmental activities are not financial resources and are not reported in the funds, net of accumulated depreciation and amortization of \$10,152,480			
			1,656,261
Long term liabilities are not due and payable in the current period and therefore are not reported in the funds			
Lease liability			(48,420)
Proportionate share of the collective net pension liability:			
PERS	(21,924,230)		
TRS	(13,755,970)		
			(35,680,200)
Proportionate share of the collective net OPEB assets:			
PERS	8,805,287		
TRS	8,112,261		
			16,917,548
Certain changes in the net pension and OPEB amounts are deferred to future periods rather than recognized immediately.			
Deferred outflows of resources:			
PERS	3,459,022		
TRS	2,672,637		
			6,131,659
Deferred inflows of resources:			
PERS	(772,319)		
TRS	(1,187,320)		
			(1,959,639)
Net position of governmental activities		\$	<u>12,783,373</u>

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

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds

Year Ended June 30, 2023

	General (School) Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Intergovernmental:				
Borough appropriation	\$ 39,004,638	-	-	39,004,638
Borough in-kind contribution	4,692,862	-	-	4,692,862
Earnings on investments	1,558,615	-	-	1,558,615
Charges for services	-	20,375	1,453,639	1,474,014
E-rate	4,104,659	-	-	4,104,659
Other	183,976	609,858	539,886	1,333,720
Intergovernmental:				
State of Alaska	21,525,249	-	2,679,445	24,204,694
Federal sources	618,740	722,518	5,643,577	6,984,835
Total revenues	<u>71,688,739</u>	<u>1,352,751</u>	<u>10,316,547</u>	<u>83,358,037</u>
Expenditures:				
Current:				
Instruction	23,419,870	-	1,595,508	25,015,378
Special education instruction	3,830,569	-	-	3,830,569
Special education support services - students	303,587	-	817,845	1,121,432
Support services - students	2,912,382	-	270,890	3,183,272
Support services - instruction	9,545,738	-	2,482,521	12,028,259
School administration	3,919,173	-	-	3,919,173
School administration support services	1,371,796	-	45,036	1,416,832
District administration	1,816,811	-	-	1,816,811
District administration support services	2,722,722	-	188,758	2,911,480
Operations and maintenance of plant	15,788,726	-	3,468,920	19,257,646
Student activities	2,768,420	-	596,259	3,364,679
Student transportation - to and from school	35,537	-	2,357,004	2,392,541
Community services	680	-	196,998	197,678
Food services	29,273	4,234,076	48,146	4,311,495
Debt service:				
Interest on long-term debt	-	-	2,587	2,587
Redemption of principal on long-term debt	-	-	8,213	8,213
Total expenditures	<u>68,465,284</u>	<u>4,234,076</u>	<u>12,078,685</u>	<u>84,778,045</u>
Excess (deficiency) of revenues over expenditures	<u>3,223,455</u>	<u>(2,881,325)</u>	<u>(1,762,138)</u>	<u>(1,420,008)</u>
Other financing sources (uses):				
Transfers in	-	7,225,000	4,440,500	11,665,500
Transfers out	(11,665,500)	-	-	(11,665,500)
Net other financing sources (uses)	<u>(11,665,500)</u>	<u>7,225,000</u>	<u>4,440,500</u>	<u>-</u>
Net change in fund balances	<u>(8,442,045)</u>	<u>4,343,675</u>	<u>2,678,362</u>	<u>(1,420,008)</u>
Fund balance, beginning of year	<u>19,684,117</u>	<u>3,624,196</u>	<u>3,877,859</u>	<u>27,186,172</u>
Fund balances, end of year	<u>\$ 11,242,072</u>	<u>7,967,871</u>	<u>6,556,221</u>	<u>25,766,164</u>

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

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities

Year Ended June 30, 2023

Net change in fund balances - total governmental funds	\$ <u>(1,420,008)</u>
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Amounts reported for *governmental activities* in the Statement of
Activities are different because:

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

Change in the unfunded net pension and OPEB liabilities and assets:	
PERS	(8,134,014)
TRS	<u>(11,155,954)</u>
	<u>(19,289,968)</u>

Changes in deferred inflows and outflows of resources are the result of timing differences
in the actuarial report:

PERS	14,290,142
TRS	<u>15,246,412</u>
	<u>29,536,554</u>

Long-term liabilities reported in the Statement of Activities do not require
the use of current financial resources and, therefore, are not reported
as expenditures in governmental funds. Similarly, principal payments
of long-term debt in the governmental funds are not reported as
expenses in the Statement of Activities. Changes in long-term liabilities:

Principal payments on long-term debt	<u>8,213</u>
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The cost of capital assets purchased or constructed is reported as an
expenditure in governmental funds. The Statement of Net Position includes
purchased and constructed capital assets among the assets
of the School District as a whole. The cost of those assets is allocated over
estimated useful lives (as depreciation and amortization expense) to the various functions
reported as governmental activities in the Statement of Activities. Completed
building and improvement projects are transferred to the North Slope Borough.

Capital outlay	453,065
Depreciation and amortization expense	<u>(576,771)</u>
	<u>(123,706)</u>

Change in net position of governmental activities	\$ <u><u>8,711,085</u></u>
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The notes to the financial statements are an integral part of this statement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements

June 30, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of the North Slope Borough School District (the District) have been prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Pursuant to Alaska Statutes, Title 29.43.030, the North Slope Borough (the Borough) has the responsibility of establishing, maintaining and operating a system of public schools. The Borough has delegated the administrative responsibilities for these functions to the School Board of the North Slope Borough School District. Members of the School Board are elected by the public. The School Board has control over hiring and firing employees and the power to contract and purchase equipment. The School Board is required to submit an annual budget to the Borough Assembly for approval, and all bonded indebtedness is through the Borough. Based on these criteria, financial interdependency, budget approval, responsibility for debt, and financial accountability, the North Slope Borough School District is a component unit of the Borough. The Borough provides utility services to the facilities for the teachers and several schools in the District. The Borough is responsible for assessing and collecting property taxes and remitting the amount approved by the Borough Assembly to the School District.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District. Governmental activities are supported by intergovernmental revenues and other non-exchange transactions. The District does not have any business-type activities or component units.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operations or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues*.

Deferred inflows of resources are the acquisition of Fund Balance / Net Position by the District that are applicable to a future reporting period. Deferred outflows of resources are the consumption of Fund Balance / Net Position by the District that are applicable to a future reporting period. Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The Government-Wide Financial Statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for un-matured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The District reports the following major governmental funds:

The *School Operating Fund* is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The *Food Service Special Revenue Fund* accounts for the District’s food service programs.

The District follows the Uniform Chart of Accounts for School Districts as required by the State of Alaska, Department of Education and Early Development. This manual sets the guidelines for financial reporting and requirements for basic accounting systems, which are uniform throughout Alaska.

Summarized below are the major sources of revenue and the applicable recognition policies.

Intergovernmental Revenue

State of Alaska foundation, Borough Appropriations, pupil transportation funding and federal aid for the school lunch program are susceptible to accrual and are recorded in the year to which they relate. Federal Impact Aid receipts are recorded as revenues in the year the monies are received. State of Alaska and Federal government cost reimbursable grants and contracts are recorded to the extent of allowable expenditures in the period in which the expenditures were incurred. On-behalf payments from the State of Alaska are recognized in the year to which they relate.

Local Revenue

Interest earned is recorded in the School Operating Fund unless otherwise specified by the funding source. Rental income from District owned property is recorded in the period to which it relates. Both interest and rental income are susceptible to accrual. Proceeds from the sale of lunches and other miscellaneous revenues are recognized in the year received.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Indirect Costs

The State of Alaska, Department of Education and Early Development annually establishes an approved indirect rate for each District based on audited financial statements. The rate is based on expenditures recorded per requirements in the Uniform Chart of Accounts for School Districts, and as such there is no indirect cost pool. Indirect costs and indirect cost recovery is recorded in the District Administration Support Services function.

D. Assets, Liabilities and Net Position/Fund Balance

1. Cash and cash equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash consists of demand deposits associated with the central treasury and does not include cash deposits that are a component of the investment portfolio.

2. Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statements of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities, except for the District's investments. The carrying amount of the District's investments are determined based on quoted market prices.

3. Short-term Interfund Receivables and Payables

In the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet of the fund financial statements and are eliminated in the preparation of the government-wide financial statements.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

4. Inventories

Inventories, consist of food supplies stated at cost, which approximates fair value, using the first-in first-out (FIFO) method. Inventories are recorded as expenditures when consumed under the consumption method. Reported inventories are equally offset by a portion of fund balance classified as non-spendable in the fund financial statements, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

5. Prepaid Items

Payments made to vendors for services that are applicable to future accounting periods are recorded as prepaid items. Prepaid items do not reflect current available resources and, thus, an equivalent portion of fund balance is classified as non-spendable in the fund financial statements. Accounting for prepaid items is on the consumption method. The consumption method records the expenditure when consumed rather than when purchased.

6. Capital Assets

Capital assets are reported in the governmental activities column of the government-wide financial statements.

Capital assets are tangible assets consisting of artwork, equipment and vehicles and are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. School facilities are maintained, managed, and replaced, when applicable, by the Borough. Accordingly, the Borough recognizes these capital assets and related debt.

Artwork is not depreciated. Equipment and vehicle depreciation is computed on the straight-line method over the estimated useful life of the assets, generally 3 to 7 years for equipment and vehicles. Maintenance and repairs of a routine nature that do not add to the value of the asset are charged as expenditures as incurred and are not capitalized.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

7. Leases

The District is a lessee for non-cancellable leases of buildings and recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the financial statements. The lease liabilities are recognized with an initial, individual value of \$5,000 or more or immaterial component leases that aggregate to a total value of \$5,000 or more. At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If a lease contains a purchase option that the District has determined is reasonably certain of being exercised, the lease asset is amortized over the estimated useful life of the underlying asset. Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- a. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District's estimated incremental borrowing rate is used as the discount rate for leases.
- b. The lease term includes the non-cancellable period of the lease; the term of the lease contract, including options to extend, must be more than 12 months. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

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

8. Unearned Revenue

Revenue that is received in advance of the period for which it is intended for use and does not meet the requirements for revenue recognition is recognized as unearned revenue.

9. Compensated Absences

All classified and certified twelve-month employees earn and accrue annual leave. All classified school year employees earn and accrue annual leave. All certified school year employees earn personal leave up to 5 days earned and 10 days accrued. Unused annual leave is accrued at current salary cost as earned by employees.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Unused annual leave and salary related payments are accrued as earned by employees and are recorded as a current liability in the period earned. Annual leave is accrued as a current liability when it is expected to be paid with current available resources. Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an Employees' resignation or retirement).

All certified employees earn sick leave, which is available for use while remaining in a permanent position. Sick leave pay is recorded as an expenditure during the period it is used. Employees' unused sick leave balances are carried forward.

10. Pensions/Other Post Employment Benefits (OPEB)

For purposes of measuring the net pension and OPEB liabilities (Assets), deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and the Teachers' Retirement System (TRS) and additions to/from PERS and TRS's fiduciary net position have been determined on the same basis as they are reported by PERS and TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported at fair value.

11. Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are restricted by the District's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted – all other net position is reported in this category.

12. Fund Balance

In the Fund Financial Statements, fund balance includes five classifications as follows:

Nonspendable Fund Balance – Amounts that are legally or contractually required to be maintained intact (such as the corpus of an endowment fund) or amounts that are not in a spendable form (such as inventory, prepaid items, supplies, long-term receivables). Such constraint is binding until the legal or contractual requirement is repealed or the amounts become spendable.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation. Such constraint is binding unless modified or rescinded by external body, laws, or regulation.

Committed Fund Balance – Includes amounts that can be used only for the specific purposes determined by a formal action of the District Board. Commitments may be changed or lifted by the Board taking the same formal action that imposed the constraint originally.

Assigned Fund Balance – Amounts intended to be used by the District for specific purposes: intent can be expressed by the Board or by the District Superintendent, having been designated such authority. Such constraint is binding unless modified or eliminated by the Board or Superintendent. In governmental funds other than the School Operating Fund, assigned fund balance represents the amount that is not restricted or committed.

Unassigned Fund Balance – The residual classification for the School Operating Fund and includes all amounts not contained in the other classifications. Positive unassigned amounts will be reported only in the School Operating Fund. If another governmental fund, other than the School Operating Fund, has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund.

The order of spending, regarding the restricted and unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available, should first reduce restricted fund balance and then unrestricted fund balance. The order of spending regarding unrestricted fund balance is that committed amounts should be reduced first, followed by the assigned amounts, and then the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Compliance with the provisions of the Fund Balance Classification Policy are reviewed as part of the annual budget adoption process. The Superintendent reports to the Board as close to the end of the year as possible the anticipated year-end fund balance or deficit. The Board takes appropriate action to commit or assign, or otherwise allocate prior year fund balances as a part of the budget planning process.

The District's Special Revenue Funds are used to account for educational, food services, operations and maintenance programs that are restricted or committed.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the School Operating Fund and Special Revenue Funds. Encumbrances outstanding at year end are reported in assigned fund balances since they do not constitute expenditures or liabilities. The amount of encumbrances, if significant, are disclosed in the Notes to the Basic Financial Statements as commitments.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

13. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

Annual budgets of the various Special Revenue Funds are prepared in connection with the application for the special programs' funding and are reviewed and approved by the School Board. Expenditure authority for Special Revenue Fund programs is limited to the actual combined revenues and transfers from other funds. Unexpended balances of grants from the State and federal governments for the Special Revenue Funds lapse at June 30, except for Indian Education which lapse on September 30. Expenditures are reimbursed by the various entities on a cost basis.

III. DETAIL NOTES ON ALL FUNDS

A. Deposits and Investments

The District maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is reported in the balance sheet or Statement of Net Position as "cash and cash equivalents" or amounts "due to/from other funds."

The District's bank accounts are insured by the Federal Depository Insurance Corporation (FDIC) to a maximum of \$250,000 per financial institution. Any amount in excess of \$250,000 is collateralized with securities held by the District's agent in the District's name. The District held no investments at June 30, 2023.

All deposits are carried at fair market value plus accrued interest. Custodial Credit Risk is the risk that in the event of a bank failure, the District's deposits will not be returned to the District. The District limits its custodial credit risk in its deposit and investment policy by requiring all deposits to be fully insured or collateralized.

The District's investment policy as of June 30, 2023 allows for short-term investment in the following:

- United States government obligations.
- Direct obligations of an agency or instrumentality of the United States of America, and obligations on which the timely payment of principal and interest is fully guaranteed by any such agency or instrumentality.
- Repurchase agreements secured by obligations of the United States government, or an agency or instrumentality of the United States government.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

- Negotiable certificates of deposit issued by a bank receiving the highest short-term credit rating from two Nationally Recognized Statistical Rating Organizations.
- Shares of a money market mutual fund or other collective investments fund registered under the Federal Investment Company Act of 1940, whose shares are registered under the Federal Securities Act of 1933.
- The maximum maturity of any single security shall not exceed five years. The weighted average maturity of the portfolio shall not exceed 2.5 years. The average weighted quality of the portfolio must be at least AA/AA2.

The short-term investment policy allows for the following concentration limits:

	Instrument maximum	Issuer maximum
U.S. Government obligations	100%	100%
Repurchase agreements	100%	100%
U.S. Agency obligations	100%	50%
Bank certificates of deposit	50%	10%
Money Market funds	100%	100%

B. Receivables

Receivable as of year end for the District's individual major funds and other governmental funds are as follows:

	School Operating Fund	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total
Grants receivable	\$ -	513,366	3,025,941	3,539,307
Accounts receivable	513,808	-	14,400	528,208
Total	\$ 513,808	513,366	3,040,341	4,067,515

Management has determined that all receivables are collectable; therefore no allowance for doubtful accounts has been established.

IV. CAPITAL ASSETS

The Borough owns and accounts for all school buildings and land, which are provided to the District without charge. Furniture and equipment are accounted for by the District.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

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

Governmental activities:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Capital assets not being depreciated – artwork	\$ 134,956	-	-	134,956
Capital assets, being depreciated:				
Equipment	11,147,976	453,065	-	11,601,041
Right-to-use assets	72,744	-	-	72,744
Total capital assets being depreciated and amortized	\$ 11,220,720	453,065	-	11,673,785
Less accumulated depreciation and amortization:				
Equipment	(9,575,709)	(558,585)	-	(10,134,294)
Right-to-use assets	-	(18,186)	-	(18,186)
Net capital assets being depreciated and amortized	1,645,011	(123,706)	-	1,521,305
Net governmental capital assets	\$ 1,779,967	(123,706)	-	1,656,261

Depreciation and amortization expense was charged to functions of the District as follows:

Instruction	\$ 7,143
Support services – instruction	354,409
Operations and maintenance of plant	80,046
Student transportation	8,571
Food services	126,602
Total depreciation expense	\$ 576,771

V. OTHER INFORMATION

A. Risk Management

The District faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability, i.e., errors and omissions, (d) environmental damage, (e) workers compensation, and (f) medical/dental/vision costs for employees. The District mitigates significant risk of loss through the acquisition of commercial insurance policies. The District currently participates in the Alaska Municipal League/Joint Insurance Association (AML/JIA), a member driven risk pool, which covers property and contents, torts, general and auto liability, school leaders errors and omissions, workers compensation, and earthquake and flood. The District maintains other commercial insurance policies relating to faithful performance blanket bonds covering all employees and travel accidents. Coverage limits and the deductibles for the commercial policies have stayed relatively constant for several years. No losses in excess of insurance coverage have been realized over the past three years.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Additional risk of loss exists for employee health benefits. The District established an Employee Health Care Benefit Plan to provide health insurance for employees and their dependents. The District pays premiums into the Plan based on estimated claims and adjusted for actual claims paid during the year. Stop-loss insurance limits the District's liability for individual claims to \$175,000 and \$1,000,000 in aggregate. Health and medical insurance expense was \$9,962,421 for the year ended June 30, 2023, and consisted of paid claims incurred, stop-loss premiums, and administrative fees.

As of June 30, 2023, an estimated liability for claims payable incurred but unreported claims of approximately \$4,806,754 was recorded in the General (School Operating) Fund. This estimate was calculated based on run-out claims and claims history. Changes in the balances of claim liabilities for years ending June 30, 2023 is as follows:

		<u>2023</u>
Unpaid claims, beginning of year	\$	3,109,770
Incurred claims (including IBNR's)		9,689,472
Less: claim payments		<u>7,992,488</u>
Unpaid claims (including IBNR's), end of year	\$	<u><u>4,806,754</u></u>

The District has elected the reimbursable method of payment for Employment Security Compensation (ESC). Under this arrangement, the actual costs of ESC are reimbursed to the State of Alaska.

B. Employee Retirement Systems and Plans

The District follows *Governmental Accounting Standards Board (GASB) Codification P20*, Accounting for Pensions by State and Local Governmental Employees and *GASB Codification P50*, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the District participate in either the State of Alaska Public Employees' Retirement System (PERS) or the State of Alaska Teacher's Retirement System (TRS). In addition to the pension plan, both systems also administer other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS and TRS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The District's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

PERS and TRS act as the common investment and administrative agencies for the following multiple-employer plans:

<u>Plan Name</u>	<u>Type of Plan</u>
Defined Benefit Pension Plan (DB)	Cost-sharing, Defined Benefit Pension
Defined Contribution Pension Plan (DC)	Defined Contribution Pension
Defined Benefit Other Postemployment Benefits (OPEB):	
Occupational Death and Disability Plan	Cost-sharing, Defined Benefit OPEB
Alaska Retiree Healthcare Trust Plan	Cost-sharing, Defined Benefit OPEB
Retiree Medical Plan	Cost-sharing, Defined Benefit OPEB
Defined Contribution Other Postemployment Benefits (DC):	
Healthcare Reimbursement Arrangement Plan	Defined Contribution OPEB

Other Postemployment Benefit Plans (OPEB)

Alaska Retiree Healthcare Trust Plan (ARHCT)

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2022, employer contributions were 6.46% for PERS and 6.50% for TRS.

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2022, the employer contribution rates were 0.31% for PERS and 0.08% for TRS.

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2022, employer contributions were 1.07% for PERS and 0.83% for TRS.

Healthcare Reimbursement Arrangement Plan

The Healthcare Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3% of the average annual compensation of all employees in the PERS and TRS plans.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Investments

The Board is the investment oversight authority of the system’s investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board’s invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board’s fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual money-weighted rate of return, net of investment expense, for the year ended June 30, 2022 for PERS and TRS for the DB Pension Plans were 6.00% and 5.91%, the ARHCT Plans were 6.03% and 6.04%, the ODD Plans were 6.30% and 6.21%, and the RMP were 6.28% and 6.21%, respectively.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

<http://treasury.dor.alaska.gov/amb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx>.

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS and TRS plans (rates shown below exclude an annual inflation component of 2.88%):

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Domestic Equity	6.51%
Global Equity (non-U.S.)	5.70%
Aggregate Bonds	0.31%
Real Assets	3.71%
Private Equity	9.61%
Cash Equivalents	(0.50)%

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.25%, which represents a decrease of 0.13% since the prior measurement period. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 4.09% as of June 30, 2022.

Employer and Other Contribution Rates. There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, these rates are statutorily capped at 22% for PERS and 12.56% for TRS of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS or TRS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board* (GASB). Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.25% discount rate.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Employer Contribution rates for the plan year ended 2022 (measurement period) are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	22.00%	24.79%	2.79%
OPEB	0.00%	0.00%	0.00%
Total PERS contribution rates	<u>22.00%</u>	<u>24.79%</u>	<u>2.79%</u>
TRS:			
Pension	12.56%	24.62%	12.06%
OPEB	0.00%	0.00%	0.00%
Total TRS contribution rates	<u>12.56%</u>	<u>24.62%</u>	<u>12.06%</u>

Termination Costs: If the District decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular District function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The District must pay to have a termination study completed. The purpose of the study is to calculate the District's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The District must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS and TRS Administrator. For the plan year ended June 30, 2022 (measurement period) the past service rate for PERS and TRS is 16.01%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2022 (latest available) were determined by an actuarial valuation as of June 30, 2021 which was rolled forward to the measurement date June 30, 2022. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

Inflation	2.50% per year.
Salary Increases	Increases range from 2.85% to 7.00% based on service.
Investment return / discount rate	7.25%, net of expenses based on average inflation of 2.50% and a real return of 4.75%.
Mortality	Based upon 2017 - 2021 actual experience study and applicable tables contained in Pub-210, projected with MP-2021 generational improvement.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Healthcare cost trend rates	Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Rx/EGWP: 7.5% grading down to 4.5%. Ultimate trend rates reached in FY2050.
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The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions related to the ARHCT plan:

1. Per capita claims costs were updated to reflect recent experience.
2. Normal cost for administrative expenses were updated to reflect recent two years of actual administrative expenses paid from plan assets.

The changes of assumptions from the latest experience study significantly reduced deferred inflows of resources attributable to the District, as well as a net OPEB benefit recognized by the District for the State's proportionate share of OPEB plan expense attributable to the District. In some instances, the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the District creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employees' Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: <http://doa.alaska.gov/drb/pers>.

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit plan is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Currently there are 150 employers participating in PERS defined benefit plan and 151 participating in PERS defined contribution and OPEB plans.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of \$25 per month for each year of service when the calculated benefit is less.

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. The plan has two types of postretirement pension adjustments (PRPA). The automatic PRPA is issued annually to all eligible benefit recipients, when the cost of living increases in the previous calendar year. The discretionary PRPA may be granted to eligible recipients by the DB Plan’s administrator if the funding ratio of the DB Plan meets or exceeds 105%. If both an automatic and discretionary PRPA are granted, the retiree is eligible for both adjustments, the one that provides the retiree with the greatest benefit will be paid.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded “on-behalf” contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. PERS active members are required to contribute 6.75%, 7.5% for peace officers and firefighters, and 9.6% for certain school district employees.

Employer contributions for the year ended June 30, 2022 (change to match client’s fiscal year), were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	<u>1,934,547</u>	<u>134,834</u>	<u>2,069,381</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Public Employees' Retirement Plans

For the year ended June 30, 2023 the State of Alaska contributed \$358,827(100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2023 to a total of (\$419,686) to represent the pension/OPEB expense/(benefit) attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2023, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:	<u>Pension</u>
District's proportionate share of the net pension liability	\$ 21,924,230
State's proportionate share of the net pension liability	<u>6,067,474</u>
Total	<u>\$ 27,991,704</u>
	<u>OPEB</u>
District's proportionate share of the ARHCT OPEB liability	\$ (8,406,060)
State's proportionate share of the ARHCT OPEB liability (asset)	<u>(2,402,304)</u>
Total	<u>\$ (10,808,364)</u>
District's proportionate share of the ODD OPEB liability (asset)	<u>\$ (206,266)</u>
District's proportionate share of the RMP OPEB liability (asset)	<u>\$ (192,961)</u>
Total District's share of net pension and OPEB liabilities and assets	<u>\$ (13,118,943)</u>

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2024 through FY2039, as determined by projections based on the June 30, 2021 valuation.

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>Change</u>
	Measurement	Measurement	
Pension	0.4302%	0.4917%	(0.0615%)
OPEB:			
ARHCT	0.4272%	0.4938%	(0.0666%)
ODD	0.4705%	0.5099%	(0.0394%)
RMP	0.5556%	0.6003%	(0.0447%)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense/(benefit) of (\$1,361,247) and (\$3,137,733), respectively, for the year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	-
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	626,821	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	-
District contributions subsequent to the measurement date	<u>1,934,547</u>	-
Total	<u>\$ 2,561,368</u>	<u>-</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(59,499)
Changes of assumptions	-	(385,766)
Net difference between projected and actual earnings on OPEB plan investments	476,906	-
Changes in proportion and differences between District contributions and proportionate share of contributions	176,380	-
District contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 653,286</u>	<u>(445,265)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(67,668)
Changes of assumptions	-	(1,313)
Net difference between projected and actual earnings on OPEB plan investments	6,985	-
Changes in proportion and differences between District contributions and proportionate share of contributions	25,976	(5,520)
District contributions subsequent to the measurement date	<u>28,894</u>	<u>-</u>
Total	<u>\$ 61,855</u>	<u>(74,501)</u>

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,565	(7,583)
Changes of assumptions	37,362	(231,367)
Net difference between projected and actual earnings on OPEB plan investments	27,522	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,124	(13,603)
District contributions subsequent to the measurement date	<u>105,940</u>	<u>-</u>
Total	<u>\$ 182,513</u>	<u>(252,553)</u>

\$1,934,547 and \$134,834 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2023 (plan year), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2023	\$ (74,520)	(348,979)	(9,213)	(29,525)
2024	(191,010)	(167,251)	(9,562)	(30,872)
2025	(458,541)	(376,775)	(10,671)	(35,122)
2026	1,350,892	1,101,026	(282)	1,738
2027	-	-	(5,309)	(37,261)
Thereafter	-	-	(6,503)	(44,938)
Total	<u>\$ 626,821</u>	<u>208,021</u>	<u>(41,540)</u>	<u>(175,980)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

For the year ended June 30, 2023, the District recognized (\$3,189,816) and \$492,029 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 29,514,726	21,924,230	15,523,875
Net OPEB ARHCT liability (asset)	\$ (4,994,412)	(8,406,060)	(11,267,032)
Net OPEB ODD liability (asset)	\$ (194,301)	(206,266)	(215,625)
Net OPEB RMP liability (asset)	\$ 35,492	(192,961)	(367,176)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (11,603,592)	(8,406,060)	(4,587,589)
Net OPEB ODD liability (asset)	\$ N/A	(206,266)	N/A
Net OPEB RMP liability (asset)	\$ (391,101)	(192,961)	73,918

Alaska Public Employees' Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 6.75% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.07% for the retiree medical plan (DB), 0.31% for occupational and death and disability benefits (DB) and 3.00% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is capped at 22% with anything in excess of the previously listed rates being contributed to the Defined Benefit Unfunded Liability (DBUL).

Plan members are 100% vested with their contributions.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

The District contributed \$802,827 for the year ended June 30, 2023, which included forfeitures of \$19,855 which have been applied as employer contributions.

Alaska Teachers' Retirement System (TRS) – Defined Benefit Plan (DB)

Plan Description. The District participates in the Alaska Teachers' Retirement System (TRS), a cost sharing multiple-employer defined benefit plan. Currently, there are 56 employers participating in TRS, including 52 school districts. TRS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The system is governed by the Alaska Retirement Board. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for TRS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at <http://doa.alaska.gov/drbr/trs>.

Pension Benefits. Employees hired prior to July 1, 1990, are entitled to annual pension benefits beginning at normal retirement age 55, or early retirement age 50. For employees hired after June 30, 1990 but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. Employees may also retire at any age and receive a normal benefit when they accumulate the required credited service. The benefit related to all years of credited service prior to July 1, 1990 and for years of service through a total of 20 years is equal to 2% of their highest three-year average annual compensation for each year of service. The benefit for each year over 20 years of service subsequent to June 30, 1990, is equal to 2.5% of their highest three-year average annual compensation for each year of service. Employees may elect to receive their pension benefits in the form of a joint or survivor annuity. Effective January 1, 1987, a married member who retires must receive his or her benefit in the form of a joint and survivor annuity unless the member's spouse consents to another form of benefit.

Minimum benefits for employees eligible for retirement are \$25 per month for each year of credited service.

Post Retirement Pension Adjustments. Effective in fiscal year 1991, automatic post retirement pension adjustment (PRPA) was granted to all current and future retirees. The PRPA amount may not exceed the lesser of (a) the actual cost of living increase (percentage) from the date of retirement until the effective date of the PRPA; or (b) 4.00% of the base benefits for each full year that the member has been retired and a prorated percentage for each partial year. However, the PRPA percentage is offset by the percentage of all prior PRPAs that have been granted. TRS members receiving a retirement, disability or survivor benefit, who remain in Alaska, are eligible for an additional allowance equal to 10.00% of the base benefit.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Employee Contribution Rate. The District's active TRS members are required to contribute 8.65% of their annual covered salary.

Employer contributions for the year ended June 30, 2023, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	<u>693,363</u>	<u>117,652</u>	<u>811,015</u>

Teachers' Retirement Plans

For the year ended June 30, 2023 the State of Alaska contributed \$1,636,874(100% pension cost) on-behalf of the District, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2023 to a total of (\$829,066) to represent the pension/OPEB expense attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2023, the District reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the District. The amount recognized by the District as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the District were as follows:

Defined Benefit:		<u>Pension</u>
District's proportionate share of the net pension liability	\$	13,755,970
State's proportionate share of the net pension liability		<u>18,331,997</u>
Total	\$	<u>32,087,967</u>
		<u>OPEB</u>
District's proportionate share of the ARHCT OPEB liability	\$	(7,384,443)
State's proportionate share of the ARHCT OPEB liability (asset)		<u>(9,490,377)</u>
Total	\$	<u>(16,874,820)</u>
District's proportionate share of the ODD OPEB liability (asset)	\$	<u>(173,251)</u>
District's proportionate share of the RMP OPEB liability (asset)	\$	<u>(554,567)</u>
Total District's share of net pension and OPEB liabilities and assets	\$	<u>5,643,709</u>

The net pension and OPEB liabilities and assets were determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The District's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2024 through FY2039, as determined by projections based on the June 30, 2021 valuation.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

The District's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2022 Measurement	June 30, 2021 Measurement	Change
Pension	0.8252%	1.1318%	(0.3066%)
OPEB:			
ARHCT	0.8425%	1.1762%	(0.3337%)
ODD	2.8684%	3.2058%	(0.3374%)
RMP	2.8636%	3.2405%	(0.3769%)

Based on the measurement date of June 30, 2022, the District recognized pension and OPEB expense/(benefit) of (\$1,333,283) and (\$2,772,155), respectively, for the year ended June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	(44,763)
Changes of assumptions	115,607	-
Net difference between projected and actual earnings on pension plan investments	607,396	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	(542,545)
District contributions subsequent to the measurement date	693,363	-
Total	\$ <u>1,416,366</u>	<u>(587,308)</u>
	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(26,163)
Changes of assumptions	-	(167,370)
Net difference between projected and actual earnings on OPEB plan investments	382,145	-
Changes in proportion and differences between District contributions and proportionate share of contributions	520,447	-
District contributions subsequent to the measurement date	67	-
Total	\$ <u>902,659</u>	<u>(193,533)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(26,825)
Changes of assumptions	-	(459)
Net difference between projected and actual earnings on OPEB plan investments	4,125	-
Changes in proportion and differences between District contributions and proportionate share of contributions	22,791	(10,027)
District contributions subsequent to the measurement date	<u>9,902</u>	<u>-</u>
Total	<u>\$ 36,818</u>	<u>(37,311)</u>

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 94,407	(26,176)
Changes of assumptions	32,797	(329,604)
Net difference between projected and actual earnings on OPEB plan investments	42,817	-
Changes in proportion and differences between District contributions and proportionate share of contributions	39,090	(13,388)
District contributions subsequent to the measurement date	<u>107,683</u>	<u>-</u>
Total	<u>\$ 316,794</u>	<u>(369,168)</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

\$693,363 and \$117,652 are reported as deferred outflows of resources related to pension and OPEB resulting from District contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2023 (plan year), respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2023	\$ (564,232)	273,437	(2,477)	(30,267)
2024	(226,984)	(118,576)	(2,753)	(32,902)
2025	(527,125)	(274,648)	(3,556)	(40,731)
2026	1,454,036	828,846	2,772	23,013
2027	-	-	(2,664)	(31,046)
Thereafter	-	-	(1,717)	(48,124)
Total	\$ 135,695	709,059	(10,395)	(160,057)

For the year ended June 30, 2023, the District recognized (\$3,869,977) and \$1,270,701 of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.25%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 20,574,918	13,755,970	8,003,673
Net OPEB ARHCT liability (asset)	\$ (4,818,181)	(7,384,443)	(9,524,782)
Net OPEB ODD liability (asset)	\$ (173,796)	(173,251)	(172,964)
Net OPEB RMP liability (asset)	\$ (195,785)	(554,567)	(824,148)

Sensitivity of the District's Proportionate Share of the Net OPEB Liability and Assets to Changes in the Healthcare Cost Trend Rates. The following present the District's proportionate share of the net OPEB liability (asset), as well as what the District's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (9,769,063)	(7,384,443)	(4,518,059)
Net OPEB ODD liability (asset)	\$ N/A	(173,251)	N/A
Net OPEB RMP liability (asset)	\$ (858,024)	(554,567)	(140,918)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

Alaska Teachers’ Retirement System (TRS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. Districts and Public Employers in the State of Alaska have a defined contribution retirement plan for new hires first enrolled on or after July 1, 2006. The Administrator of the Plan is the Commissioner of Administration or the Commissioner’s designee. Plan members make mandatory contributions of 8.65% of their base salaries. State statutes require the employer to contribute 7.00% of employees’ eligible compensation. Additionally, employers are required to contribute to other post-employment benefits (DB): 0.83% for the retiree medical plan, 0.08% for occupational death and disability, and 3.00% of employers’ average annual employee compensation to the health reimbursement arrangement (HRA DC). The employer effective contribution rate is 12.56%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan’s pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers’ contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

The District contributed \$1,188,933 for the year ended June 30, 2023, which included forfeitures of \$101,740 which have been applied as employer contributions.

VI. Interfund Receivables, Payables, and Transfers

Interfund receivables and payables are shown as “due from other funds” and “due to other funds” in each of the individual funds. The balances at June 30, 2023 are as follows:

Receivable Fund	Payable Fund	Amount
Other Governmental Funds	General (School Operating) Fund	\$ 6,010,249
Food Service Special Revenue Fund	General (School Operating) Fund	7,055,504
General (School Operating) Fund	Other Governmental Funds	2,174,296
		\$ 15,240,049

Transfers Out	Food Service Special Revenue Fund	Nonmajor Governmental Funds	Total
General (School Operating) Fund	\$ 7,225,000	4,440,500	11,665,500

Transfers are used to (a) use unrestricted revenues collected in the General (School Operating) Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or (b) use unrestricted revenues collected in the General (School Operating) Fund to meet local match requirements on State and Federal grants.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

VII. Related Party Transactions

The Borough provides utility services to the facilities for the teachers and several schools in the District. During fiscal year 2023, approximately \$4,692,862 of property insurance and heating fuel was recorded as in kind contribution in the operations of the General (School Operating) Fund.

The Borough is responsible for assessing and collecting property taxes and remitting the amount approved by the Borough Assembly to the School District. Property taxes collected and remitted in fiscal year 2023 were \$39,004,638. For fiscal year 2023, the Borough also appropriated money to the

VIII. Long-term Obligations

Changes in these obligations for the year ended June 30, 2023 are as follows:

	Balances July 1, 2022	Additions	Deletions	Balances June 30, 2023	Due within One Year
Lease liabilities	\$ 56,633	-	(8,213)	48,420	8,540

IX. Leases

The District has entered into leases for acquisition and use of buildings and available space. The District was required to make principal and interest payments for these leases in the amount of \$10,800 for the year ended June 30, 2023. The District uses an interest rate of 3.99% for its lease calculations. The buildings are amortized over the lease term. The value of the lease liability at June 30, 2023 was \$48,420. The value of the right-to use assets at June 30, 2023 was \$72,744 and the accumulated amortization at June 30, 2023 was \$18,186.

The future principal and interest lease payments as of June 30, 2023, were as follows:

Fiscal Year	Principal	Interest	Total
2024	\$ 8,540	2,260	10,800
2025	8,881	1,919	10,800
2026	9,235	1,565	10,800
2027	9,603	1,197	10,800
2028	9,987	813	10,800
2029	2,174	415	2,589
Total	\$ 48,420	8,169	56,589

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Basic Financial Statements, Continued

X. Contingencies and Commitments

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, would become a liability of the General (School Operating) Fund.

The District receives a substantial portion of its revenue from state and federal grants. Significant changes in these revenue sources could have a material effect (positive or negative) on the operations of the District. The District provides services solely to those residents of the North Slope Borough as defined by the State of Alaska district boundaries. Significant changes in the local environment or economy could directly affect the District's enrollment. Significant changes in enrollment could have a material effect (positive or negative) on the District's funding and operations.

The District, from time to time, may be a participant in legal proceedings related to the conduct of its business. In the opinion of management, any current legal proceedings, commitments or contingent liabilities will not materially affect the financial position of the District.

The District has been assessed penalties of \$431,562 including accrued interest by the Internal Revenue Service (IRS) for failure to file and provide information related to its 2018 1095 informational returns. The District is in the process of correcting this filing deficiency and expects the penalties to be waived or significantly reduced when correction is complete. The District has accrued these penalties in the government-wide financial statements.

Alaska Statute 14.17.505 (AS), Alaska Administrative Code 4 AAC 09.160 (AAC), and the Borough Municipal Code Section 3.07 (Code) contain laws and regulations that limits the District's accumulation of unreserved fund balance (under pre-GASB 54 standards) to no more than 10 percent of current year general (school operating) fund expenditures. On April 9, 2021, the Governor issued COVID-19 Disaster Order of Suspension No. 3 (the Order) which suspended the AS and AAC laws related to the accumulation of unreserved fund balance. The Order has the power of law and supersedes all conflicting laws during the period of suspension. Additionally, on April 30, 2021, the Governor signed House Bill 76 extending the suspension of the AS and AAC through June 30, 2025.

The Borough has asserted a claim for the excess unreserved fund balance under its Municipal Code and withheld that amount from the District's fiscal year 2023 appropriation. Management and legal counsel for the District are of the opinion that the Borough's claim is without merit and that the suspension order issued by Alaska's Governor supersedes the Borough Code. Management is also of the opinion that the intent of the Borough Code is to protect the District and the Borough from the State of Alaska claiming any excess unreserved fund balance and not to penalize the District. Accordingly, the District has not recognized a liability for the Borough claim.

XI. Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 100 *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*. Effective for fiscal years beginning after June 15, 2023. Multiple effective dates.
- GASB 101 *Compensated Absences*. Effective for fiscal years beginning after December 15, 2023.

GASB Statement No. 100 will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice. In turn, more understandable, reliable, relevant, consistent, and comparable information will be provided to financial statement users for making decisions or assessing accountability. In addition, the display and note disclosure requirements will result in more consistent, decision useful, understandable, and comprehensive information for users about accounting changes and error corrections.

GASB Statement No. 101 unified recognition and measurement model in this Statement will result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation. In addition, the model can be applied consistently to any type of compensated absence and will eliminate potential comparability issues between governments that offer different types of leave.

The model also will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

General (School) Operating Fund

Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Intergovernmental:				
Borough appropriation	\$ 36,828,052	36,828,052	39,004,638	2,176,586
Borough in-kind contribution	3,500,000	3,640,000	4,692,862	1,052,862
Earnings on investments	300,000	575,000	1,558,615	983,615
E-rate	5,144,580	4,275,200	4,104,659	(170,541)
Other	191,400	173,008	183,976	10,968
Intergovernmental:				
State of Alaska	22,941,267	22,342,440	21,525,249	(817,191)
Federal sources	5,076,241	4,357,000	618,740	(3,738,260)
Total revenues	<u>73,981,540</u>	<u>72,190,700</u>	<u>71,688,739</u>	<u>(501,961)</u>
Expenditures:				
Current:				
Instruction	25,921,890	24,694,300	23,419,870	1,274,430
Special education instruction	5,433,015	4,836,100	3,830,569	1,005,531
Special education support services - students	599,620	601,800	303,587	298,213
Support services - students	3,061,553	3,233,800	2,912,382	321,418
Support services - instruction	10,714,500	10,013,100	9,545,738	467,362
School administration	3,224,601	3,901,400	3,919,173	(17,773)
School administration support services	1,439,895	1,477,600	1,371,796	105,804
District administration	1,482,471	1,847,800	1,816,811	30,989
District administration support services	2,817,246	3,180,800	2,722,722	458,078
Operations and maintenance of plant	15,300,496	15,737,800	15,788,726	(50,926)
Student activities	2,065,023	3,015,500	2,768,420	247,080
Student transportation - to and from school	-	42,000	35,537	6,463
Community services	-	700	680	20
Food services	-	36,300	29,273	7,027
Total expenditures	<u>72,060,310</u>	<u>72,619,000</u>	<u>68,465,284</u>	<u>4,153,716</u>
Excess of revenues over expenditures	<u>1,921,230</u>	<u>(428,300)</u>	<u>3,223,455</u>	<u>3,651,755</u>
Other financing (uses):				
Transfers out	<u>(3,500,000)</u>	<u>(4,165,000)</u>	<u>(11,665,500)</u>	<u>(7,500,500)</u>
Net change in fund balance	<u>\$ (1,578,770)</u>	<u>(4,593,300)</u>	<u>(8,442,045)</u>	<u>(3,848,745)</u>
Fund balance, beginning of year			<u>19,684,117</u>	
Fund balance, end of year			<u>\$ 11,242,072</u>	

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Original and Final Budget and Actual

Food Service Special Revenue Fund

Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Local sources:				
Charges for services	-	-	20,375	20,375
Other	461,938	461,938	609,858	147,920
Intergovernmental:				
Federal sources	1,725,000	1,725,000	722,518	(1,002,482)
Total revenues	<u>2,186,938</u>	<u>2,186,938</u>	<u>1,352,751</u>	<u>(834,187)</u>
Expenditures:				
Current - Food services	<u>5,464,837</u>	<u>5,464,837</u>	<u>4,234,076</u>	<u>1,230,761</u>
Excess of revenues over expenditures	(3,277,899)	(3,277,899)	(2,881,325)	396,574
Other financing sources (uses):				
Transfers Out	<u>4,225,000</u>	<u>4,225,000</u>	<u>7,225,000</u>	<u>3,000,000</u>
Net change in fund balance	\$ <u>947,101</u>	<u>947,101</u>	4,343,675	<u>3,396,574</u>
Fund balance, beginning of year			<u>3,624,196</u>	
Fund balance, end of year			\$ <u>7,967,871</u>	

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 Schedule of District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)

June 30, 2023

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.2700%	\$ 12,410,612	\$ 10,669,598	\$ 23,080,210	\$ 6,690,330	185.50%	62.37%
2016	0.4200%	\$ 20,492,879	\$ 5,488,680	\$ 25,981,559	\$ 6,511,486	314.72%	63.96%
2017	0.4900%	\$ 27,181,923	\$ 3,427,838	\$ 30,609,761	\$ 6,342,422	428.57%	59.55%
2018	0.4400%	\$ 22,715,059	\$ 8,463,298	\$ 31,178,357	\$ 5,991,957	379.09%	63.37%
2019	0.4900%	\$ 24,364,821	\$ 7,053,609	\$ 31,418,430	\$ 5,880,048	414.36%	65.19%
2020	0.4700%	\$ 25,558,317	\$ 10,149,508	\$ 35,707,825	\$ 5,001,401	511.02%	63.42%
2021	0.4100%	\$ 24,333,264	\$ 10,070,566	\$ 34,403,830	\$ 4,008,868	606.99%	61.61%
2022	0.4917%	\$ 18,038,082	\$ 2,444,261	\$ 20,482,343	\$ 3,630,989	496.78%	76.46%
2023	0.4302%	\$ 21,924,230	\$ 6,067,474	\$ 27,991,704	\$ 12,100,318	181.19%	67.97%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT
Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Public Employees' Retirement System (PERS)

June 30, 2023

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.4400%	\$ 3,712,280	\$ 217,422	\$ 3,929,702	\$ 5,991,957	61.95%	89.68%
2019	0.4900%	\$ 5,031,481	\$ 1,459,957	\$ 6,491,438	\$ 5,880,048	85.57%	88.12%
2020	0.4700%	\$ 692,764	\$ 275,453	\$ 968,217	\$ 5,001,401	13.85%	98.13%
2021	0.4100%	\$ (1,866,327)	\$ (774,023)	\$ (2,640,350)	\$ 4,008,868	-46.55%	106.15%
2022	0.4938%	\$ (12,667,318)	\$ (1,661,541)	\$ (14,328,859)	\$ 3,630,989	-348.87%	135.54%
2023	0.4272%	\$ (8,406,060)	\$ (2,402,304)	\$ (10,808,364)	\$ 12,100,318	-69.47%	128.51%
Occupational Death and Disability (ODD):							
2018	0.7000%	\$ (99,788)	\$ -	\$ (99,788)	\$ 5,991,957	-1.67%	212.97%
2019	0.7420%	\$ (14,078)	\$ -	\$ (14,078)	\$ 5,880,048	-0.24%	270.62%
2020	0.5700%	\$ (139,047)	\$ -	\$ (139,047)	\$ 5,001,401	-2.78%	297.43%
2021	0.5300%	\$ (143,699)	\$ -	\$ (143,699)	\$ 4,008,868	-3.58%	283.80%
2022	0.5099%	\$ (224,715)	\$ -	\$ (224,715)	\$ 3,630,989	-6.19%	374.22%
2023	0.4705%	\$ (206,266)	\$ -	\$ (206,266)	\$ 12,100,318	-1.70%	348.80%
Retiree Medical Plan (RMP):							
2018	0.7000%	\$ 36,676	\$ -	\$ 36,676	\$ 7,318,628	0.50%	93.98%
2019	0.7200%	\$ 92,240	\$ -	\$ 92,240	\$ 8,204,413	1.12%	88.71%
2020	0.7200%	\$ 172,797	\$ -	\$ 172,797	\$ 9,164,709	1.89%	83.17%
2021	0.6600%	\$ 46,466	\$ -	\$ 46,466	\$ 8,900,878	0.52%	92.23%
2022	0.6003%	\$ (161,120)	\$ -	\$ (161,120)	\$ 8,756,936	-1.84%	115.10%
2023	0.5556%	\$ (192,961)	\$ -	\$ (192,961)	\$ 3,367,318	-5.73%	120.08%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 1,156,138	\$ (1,156,138)	\$ -	\$ 6,511,486	17.76%
2016	\$ 1,181,138	\$ (1,181,138)	\$ -	\$ 6,342,422	18.62%
2017	\$ 1,490,393	\$ (1,490,393)	\$ -	\$ 5,991,957	24.87%
2018	\$ 1,785,699	\$ (1,785,699)	\$ -	\$ 5,880,048	30.37%
2019	\$ 1,655,804	\$ (1,655,804)	\$ -	\$ 5,001,401	33.11%
2020	\$ 1,401,057	\$ (1,401,057)	\$ -	\$ 4,008,868	34.95%
2021	\$ 1,593,057	\$ (1,593,057)	\$ -	\$ 3,630,989	43.87%
2022	\$ 1,590,257	\$ (1,584,293)	\$ 5,964	\$ 12,100,318	13.14%
2023	\$ 1,944,647	\$ (1,934,547)	\$ 10,100	\$ 13,055,489	14.90%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 509,336	\$ (509,336)	\$ -	\$ 5,880,048	8.66%
2019	\$ 595,625	\$ (595,625)	\$ -	\$ 5,001,401	11.91%
2020	\$ 559,721	\$ (559,721)	\$ -	\$ 4,008,868	13.96%
2021	\$ 269,749	\$ (269,749)	\$ -	\$ 3,630,989	7.43%
2022	\$ 216,043	\$ (216,043)	\$ -	\$ 12,100,318	1.79%
2023	\$ -	\$ -	\$ -	\$ 13,055,489	0.00%
Occupational Death and Disability (ODD):					
2018	\$ 13,127	\$ (13,127)	\$ -	\$ 5,880,048	0.22%
2019	\$ 23,809	\$ (23,809)	\$ -	\$ 5,001,401	0.48%
2020	\$ 23,137	\$ (23,137)	\$ -	\$ 4,008,868	0.58%
2021	\$ 27,228	\$ (27,228)	\$ -	\$ 3,630,989	0.75%
2022	\$ 27,159	\$ (27,159)	\$ -	\$ 12,100,318	0.22%
2023	\$ 28,894	\$ (28,894)	\$ -	\$ 13,055,489	0.22%
Retiree Medical Plan (RMP):					
2018	\$ 84,602	\$ (84,602)	\$ -	\$ 8,204,413	1.03%
2019	\$ 86,183	\$ (86,183)	\$ -	\$ 9,164,709	0.94%
2020	\$ 117,538	\$ (117,538)	\$ -	\$ 8,900,878	1.32%
2021	\$ 111,131	\$ (111,131)	\$ -	\$ 8,756,936	1.27%
2022	\$ 93,765	\$ (93,765)	\$ -	\$ 3,367,318	2.78%
2023	\$ 105,940	\$ (105,940)	\$ -	\$ 3,649,214	2.90%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 Schedule of District's Proportionate Share of the Net Pension Liability

Teachers' Retirement System (TRS)

June 30, 2023

Year	District's Proportion of the Net Pension Liability	District's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	District's Covered Payroll	District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0300%	\$ 8,207,032	\$ 55,971,081	\$ 64,178,113	\$ 8,790,152	93.37%	55.70%
2016	0.0100%	\$ 13,168,117	\$ 21,049,386	\$ 34,217,503	\$ 7,355,691	179.02%	73.82%
2017	0.9100%	\$ 20,675,894	\$ 24,574,393	\$ 45,250,287	\$ 6,963,281	296.93%	68.40%
2018	0.6600%	\$ 13,296,924	\$ 23,209,005	\$ 36,505,929	\$ 6,191,797	214.75%	72.39%
2019	0.7700%	\$ 14,783,598	\$ 21,977,229	\$ 36,760,827	\$ 4,982,771	296.69%	74.09%
2020	0.9300%	\$ 17,315,932	\$ 25,681,701	\$ 42,997,633	\$ 4,177,653	414.49%	74.68%
2021	0.7100%	\$ 14,404,217	\$ 25,005,246	\$ 39,409,463	\$ 4,086,959	352.44%	72.81%
2022	1.1318%	\$ 9,008,750	\$ 7,645,854	\$ 16,654,604	\$ 4,104,919	219.46%	89.43%
2023	0.8252%	\$ 13,755,970	\$ 18,331,997	\$ 32,087,967	\$ 17,334,889	79.35%	78.33%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 Schedule of District's Proportionate Share of the Net OPEB Liability (Asset)

Teachers' Retirement System (TRS)

June 30, 2023

Year	District's Proportion of the Net OPEB Liability (Asset)	District's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.6500%	\$ 1,203,383	\$ 2,110,057	\$ 3,313,440	\$ 6,191,797	19.44%	93.75%
2019	0.7700%	\$ 2,396,367	\$ 3,574,845	\$ 5,971,212	\$ 4,982,771	48.09%	90.23%
2020	0.9300%	\$ (1,412,949)	\$ (2,103,108)	\$ (3,516,057)	\$ 4,177,653	-33.82%	105.50%
2021	0.7100%	\$ (2,527,255)	\$ (4,407,007)	\$ (6,934,262)	\$ 4,086,959	-61.84%	113.78%
2022	1.1762%	\$ (13,674,903)	\$ (10,650,918)	\$ (24,325,821)	\$ 4,104,919	-333.13%	145.41%
2023	0.8425%	\$ (7,384,443)	\$ (9,490,377)	\$ (16,874,820)	\$ 17,334,889	-42.60%	134.84%
Occupational Death and Disability (ODD):							
2018	3.0300%	\$ (99,168)	\$ -	\$ (99,168)	\$ 6,191,797	-1.60%	1342.59%
2019	3.3500%	\$ (117,383)	\$ -	\$ (117,383)	\$ 4,982,771	-2.36%	1304.81%
2020	3.3700%	\$ (135,459)	\$ -	\$ (135,459)	\$ 4,177,653	-3.24%	1409.77%
2021	3.0500%	\$ (131,466)	\$ -	\$ (131,466)	\$ 4,086,959	-3.22%	931.08%
2022	3.2058%	\$ (195,391)	\$ -	\$ (195,391)	\$ 4,104,919	-4.76%	1254.36%
2023	2.8684%	\$ (173,251)	\$ -	\$ (173,251)	\$ 17,334,889	-1.00%	1268.28%
Retiree Medical Plan (RMP):							
2018	3.0300%	\$ (143,836)	\$ -	\$ (143,836)	\$ 10,181,445	-1.41%	118.16%
2019	3.3500%	\$ (107,071)	\$ -	\$ (107,071)	\$ 12,034,621	-0.89%	109.56%
2020	3.3500%	\$ (128,347)	\$ -	\$ (128,347)	\$ 13,037,843	-0.98%	110.03%
2021	3.0600%	\$ (302,270)	\$ -	\$ (302,270)	\$ 13,343,586	-2.27%	125.59%
2022	3.2405%	\$ (650,701)	\$ -	\$ (650,701)	\$ 13,702,849	-4.75%	142.54%
2023	2.8636%	\$ (554,567)	\$ -	\$ (554,567)	\$ 11,115,239	-4.99%	140.73%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (Pensions)

Teachers' Retirement System (TRS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 591,114	\$ (591,114)	\$ -	\$ 7,355,691	8.04%
2016	\$ 538,092	\$ (538,092)	\$ -	\$ 6,963,281	7.73%
2017	\$ 588,274	\$ (588,274)	\$ -	\$ 6,191,797	9.50%
2018	\$ 585,302	\$ (585,302)	\$ -	\$ 4,982,771	11.75%
2019	\$ 538,013	\$ (538,013)	\$ -	\$ 4,177,653	12.88%
2020	\$ 483,629	\$ (483,629)	\$ -	\$ 4,086,959	11.83%
2021	\$ 499,986	\$ (499,986)	\$ -	\$ 4,104,919	12.18%
2022	\$ 450,055	\$ (437,709)	\$ 12,346	\$ 17,334,889	2.60%
2023	\$ 667,583	\$ (693,363)	\$ (25,780)	\$ 15,922,914	4.19%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of District's Contributions (OPEB)

Teachers' Retirement System (TRS)

June 30, 2023

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 509,336	\$ (509,336)	\$ -	\$ 4,982,771	10.22%
2019	\$ 595,625	\$ (595,625)	\$ -	\$ 4,177,653	14.26%
2020	\$ 428,033	\$ (428,033)	\$ -	\$ 4,086,959	10.47%
2021	\$ 286,399	\$ (286,399)	\$ -	\$ 4,104,919	6.98%
2022	\$ 215,190	\$ (215,190)	\$ -	\$ 17,334,889	1.24%
2023	\$ 67	\$ (67)	\$ -	\$ 15,922,914	0.00%
Occupational Death and Disability (ODD):					
2018	\$ 13,127	\$ (13,127)	\$ -	\$ 4,982,771	0.26%
2019	\$ 23,809	\$ (23,809)	\$ -	\$ 4,177,653	0.57%
2020	\$ 10,674	\$ (10,674)	\$ -	\$ 4,086,959	0.26%
2021	\$ 10,963	\$ (10,963)	\$ -	\$ 4,104,919	0.27%
2022	\$ 11,276	\$ (11,276)	\$ -	\$ 17,334,889	0.07%
2023	\$ 9,902	\$ (9,902)	\$ -	\$ 15,922,914	0.06%
Retiree Medical Plan (RMP):					
2018	\$ 84,602	\$ (84,602)	\$ -	\$ 12,034,621	0.70%
2019	\$ 86,183	\$ (86,183)	\$ -	\$ 13,037,843	0.66%
2020	\$ 145,626	\$ (145,626)	\$ -	\$ 13,343,586	1.09%
2021	\$ 127,711	\$ (127,711)	\$ -	\$ 13,702,849	0.93%
2022	\$ 117,013	\$ (117,013)	\$ -	\$ 11,115,239	1.05%
2023	\$ 107,683	\$ (107,683)	\$ -	\$ 9,465,788	1.14%

See accompanying notes to Required Supplementary Information.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information

Year Ended June 30, 2023

1. General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budgets and Budgetary Accounting

The annual budget for the General (School Operating) Fund and the Food Service Special Revenue Fund are adopted by the School Board for all operating revenues, expenditures, and interfund transfers. The budget, which is prepared and presented on a modified accrual basis of accounting, serves as a formal plan for expenditures and as a proposed means for financing them. No funds may be expended until the budget has been formally approved by the School Board.

The adopted General (School Operating) Fund budget are submitted to the State of Alaska, Department of Education and Early Development for review to determine compliance with Alaska statutes and Department regulations. The School Board authorizes formal budget revisions several times each year to adjust the revenues and expenditures to available resources and program needs. The original and final revised and approved budget is presented in these financial statements. Expenditure authority for the General (School Operating) Fund and the Food Service Special Revenue Fund are limited to the total approved budget. There are no specific line item or category limitations.

Excess of expenditures over appropriations in the General (School Operating) Fund are funded through available fund balance.

Excess of Expenditures over Appropriations

The following functions that had expenditures in excess of appropriations in the School Operating Fund for the year ended June 30, 2023 were:

School administration	\$	17,773
Operations and maintenance of plant	\$	50,926

Excess of expenditures over appropriations were funded through available revenues and fund balance.

2. Public Employees' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. Retired member contributions were updated to reflect the 5% decrease from CY20 to CY21. The amounts included in the normal cost for administrative expenses were changed from \$7,223,000 to \$7,625,000 for pension, and from \$4,934,000 to \$5,531,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$1,000 to \$16,000 for occupational death and disability, and from \$20,000 to \$24,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2021 which was rolled forward to June 30, 2022. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Required Supplementary Information, Continued

3. Teachers' Retirement System

Schedule of District's Proportionate Share of Net Pension and OPEB Liability (Asset)

The table is presented based on the Plan measurement date which is one year prior to fiscal year end for all years presented.

Changes in Actuarial Assumptions, Methods, and Benefits Since the Prior Valuation

Defined Benefit Pension and Postemployment Healthcare Benefit Plan

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in actuarial methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$3,003,000 to \$3,217,000 for pension, and from \$1,362,000 to \$1,604,000 for healthcare (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in benefit provisions since the prior valuation.

Defined Contribution Occupational Death and Disability and Retiree Medical Benefits Plans

a) Changes in Methods Since the Prior Valuation – June 30, 2020 to June 30, 2021

There were no changes in the asset or valuation methods since the prior valuation.

b) Changes in Assumptions Since the Prior Valuation – June 30, 2020 to June 30, 2021

Healthcare claim costs are updated annually. The amounts included in the normal cost for administrative expenses were changed from \$0 to \$5,000 for occupational death and disability, and from \$8,000 to \$22,000 for retiree medical (based on the most recent two years of actual administrative expenses paid from plan assets). There were no other changes in actuarial assumptions since the prior valuation.

c) Changes in Benefit Provisions Since the Prior Valuation – June 30, 2020 to June 30, 2021

There have been no changes in benefit provisions valued since the prior valuation.

The GASB requires ten years of information be presented. However, until a full ten years of information is available, the District will present only those years for which information is available.

Schedule of District Contributions (Pension) and (OPEB)

The table valuation date is June 30, 2021 which was rolled forward to June 30, 2022. Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

**SUPPLEMENTARY
INFORMATION**

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Borough appropriation	\$ 36,828,052	39,004,638	2,176,586
Borough in-kind contribution	3,640,000	4,692,862	1,052,862
Local sources:			
Earnings on investments	575,000	1,558,615	983,615
E-rate revenue	4,275,200	4,104,659	(170,541)
Other	173,008	183,976	10,968
Total local sources	<u>45,491,260</u>	<u>49,544,750</u>	<u>4,053,490</u>
Intergovernmental:			
State of Alaska:			
Foundation program	19,561,440	18,128,297	(1,433,143)
TRS on-behalf	2,267,500	1,636,874	(630,626)
PERS on-behalf	503,400	358,827	(144,573)
Other state	10,100	9,939	(161)
Quality schools	-	94,300	94,300
HB 281	-	1,297,012	1,297,012
Total State of Alaska	<u>22,342,440</u>	<u>21,525,249</u>	<u>(817,191)</u>
Federal sources:			
Direct sources - Impact Aid	<u>4,357,000</u>	<u>618,740</u>	<u>(3,738,260)</u>
Total revenues	<u>72,190,700</u>	<u>71,688,739</u>	<u>(501,961)</u>
Expenditures:			
Instruction:			
Certificated salaries	13,177,404	12,691,426	485,978
Non-certificated salaries	1,724,700	1,593,726	130,974
Employee benefits	8,045,696	7,897,672	148,024
Professional and technical services	408,000	237,862	170,138
Staff travel	109,800	116,399	(6,599)
Utility services	1,900	313	1,587
Other purchased services	35,100	13,683	21,417
Supplies, materials and media	1,079,500	755,437	324,063
Tuition and stipends	85,000	83,367	1,633
Other	1,200	355	845
Equipment	26,000	29,630	(3,630)
Total instruction	<u>24,694,300</u>	<u>23,419,870</u>	<u>1,274,430</u>
Special education instruction:			
Certificated salaries	1,803,600	1,696,728	106,872
Non-certificated salaries	1,375,600	772,931	602,669
Employee benefits	1,644,300	1,358,952	285,348
Staff travel	2,000	1,958	42
Other purchased services	1,600	-	1,600
Supplies, materials and media	9,000	-	9,000
Total special education instruction	<u>4,836,100</u>	<u>3,830,569</u>	<u>1,005,531</u>
Special education support services - students:			
Certificated salaries	140,800	136,743	4,057
Non-certificated salaries	61,000	10,970	50,030
Employee benefits	92,300	78,269	14,031
Professional and technical services	285,000	68,399	216,601
Staff travel	3,700	3,107	593
Utility services	1,000	770	230
Other purchased services	5,000	4,035	965
Supplies, materials and media	13,000	1,294	11,706
Total special education support services - students	<u>601,800</u>	<u>303,587</u>	<u>298,213</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
Support services - students:			
Certificated salaries	\$ 1,177,000	1,044,951	132,049
Non-certificated salaries	835,700	761,643	74,057
Employee benefits	1,115,900	1,103,704	12,196
Professional and Technical Services	80,000	-	80,000
Staff travel	3,000	-	3,000
Utility services	10,000	-	10,000
Supplies, materials and media	11,200	1,634	9,566
Other	1,000	450	550
Total support services - students	<u>3,233,800</u>	<u>2,912,382</u>	<u>321,418</u>
Support services - instruction:			
Certificated salaries	438,800	465,728	(26,928)
Non-certificated salaries	1,070,000	1,124,746	(54,746)
Employee benefits	877,000	899,460	(22,460)
Professional and technical services	188,000	184,620	3,380
Staff travel	102,600	108,561	(5,961)
Utility services	5,815,500	5,563,088	252,412
Other purchased services	562,400	511,681	50,719
Supplies, materials and media	929,400	659,729	269,671
Other	4,400	4,757	(357)
Equipment	25,000	23,368	1,632
Total support services - instruction	<u>10,013,100</u>	<u>9,545,738</u>	<u>467,362</u>
School administration:			
Certificated salaries	2,443,600	2,456,124	(12,524)
Employee benefits	1,113,600	1,188,146	(74,546)
Professional and Technical Services	10,000	7,415	2,585
Staff travel	40,400	15,405	24,995
Utility services	99,800	98,088	1,712
Other purchased services	135,500	100,741	34,759
Supplies, materials and media	56,500	51,408	5,092
Other	2,000	1,846	154
Total school administration	<u>3,901,400</u>	<u>3,919,173</u>	<u>(17,773)</u>
School administration support services:			
Non-certificated salaries	838,000	770,495	67,505
Employee benefits	639,600	601,301	38,299
Total school administration support services	<u>1,477,600</u>	<u>1,371,796</u>	<u>105,804</u>
District administration:			
Certificated salaries	166,200	152,501	13,699
Non-certificated salaries	593,797	600,887	(7,090)
Employee benefits	476,183	523,921	(47,738)
Professional and technical services	320,631	261,203	59,428
Staff travel	175,000	167,000	8,000
Utility services	7,000	5,352	1,648
Other purchased services	17,500	12,913	4,587
Supplies, materials and media	57,089	68,204	(11,116)
Other	34,400	24,830	9,570
Total district administration	<u>1,847,800</u>	<u>1,816,811</u>	<u>30,989</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Expenditures, continued:			
District administration support services:			
Certificated salaries	-	24,497	(24,497)
Non-certificated salaries	\$ 1,722,703	1,646,926	75,777
Employee benefits	822,617	862,831	(40,214)
Professional and technical services	464,869	194,586	270,283
Staff travel	140,000	77,068	62,932
Utility services	17,000	12,367	4,633
Other purchased services	92,700	46,651	46,049
Supplies, materials and media	52,811	43,725	9,086
Other	18,100	2,829	15,271
Indirect costs	(150,000)	(188,758)	38,758
Total district administration support services	<u>3,180,800</u>	<u>2,722,722</u>	<u>458,078</u>
Operations and maintenance of plant:			
Non-certificated salaries	4,872,500	4,689,463	183,037
Employee benefits	2,940,600	2,869,530	71,070
Professional and technical services	185,000	99,570	85,430
Staff travel	115,500	89,386	26,114
Utility services	382,500	307,345	75,155
Energy	2,846,500	3,258,054	(411,554)
Other purchased services	3,330,000	3,602,810	(272,810)
Supplies, materials and media	990,200	826,297	163,903
Equipment	75,000	46,271	28,729
Total operations and maintenance of plant	<u>15,737,800</u>	<u>15,788,726</u>	<u>(50,926)</u>
Student activities:			
Certificated salaries	469,400	339,688	129,712
Non-certificated salaries	176,600	180,877	(4,277)
Employee benefits	184,500	105,590	78,910
Professional and technical services	90,000	75,063	14,937
Staff travel	20,000	25,787	(5,787)
Student travel	2,004,050	1,999,396	4,654
Utility services	200	73	127
Other purchased services	7,000	2,435	4,565
Supplies, materials and media	50,000	25,786	24,214
Other	13,750	13,725	25
Total student activities	<u>3,015,500</u>	<u>2,768,420</u>	<u>247,080</u>
Student transportation - to and from school:			
Employee benefits	<u>42,000</u>	<u>35,537</u>	<u>6,463</u>
Community services:			
Employee benefits	<u>700</u>	<u>680</u>	<u>20</u>
Food services:			
Employee benefits	<u>36,300</u>	<u>29,273</u>	<u>7,027</u>
Total expenditures	<u>72,619,000</u>	<u>68,465,284</u>	<u>4,153,716</u>
Excess of revenues over expenditures	<u>(428,300)</u>	<u>3,223,455</u>	<u>3,651,755</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

General (School) Operating Fund

Schedule of Revenues, Expenditures and Changes in Fund
Balance - Budget and Actual, Continued

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Other financing (uses):			
Transfers out:			
Special Revenue Funds:			
Student Transportation	(150,000)	(1,150,000)	(1,000,000)
Community Education	(275,000)	(775,000)	(500,000)
Food Service	(2,225,000)	(7,225,000)	(5,000,000)
RUS USDA	(150,000)	(150,500)	(500)
Teacher Housing	<u>(1,365,000)</u>	<u>(2,365,000)</u>	<u>(1,000,000)</u>
Net other financing (uses)	<u>(4,165,000)</u>	<u>(11,665,500)</u>	<u>(7,500,500)</u>
Net change in fund balance	\$ <u>(4,593,300)</u>	(8,442,045)	<u>(3,848,745)</u>
Fund balance, beginning of year		<u>19,684,117</u>	
Fund balance, end of year		\$ <u>11,242,072</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Food Service Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Charges for services	\$ -	20,375	20,375
Other	461,938	609,858	147,920
Total local revenue	<u>461,938</u>	<u>630,233</u>	<u>168,295</u>
Intergovernmental:			
Federal sources passed through the State of Alaska:			
Type A reimbursement	1,380,000	637,869	(742,131)
USDA commodities	10,000	9,853	(147)
Supply Chain Assistance	335,000	74,796	(260,204)
Total revenues	<u>2,186,938</u>	<u>1,352,751</u>	<u>(834,187)</u>
Expenditures:			
Food services:			
Non-certificated salaries	1,269,935	1,204,429	65,506
Employee benefits	860,852	792,742	68,110
Professional and technical services	1,500	-	1,500
Staff travel	34,090	11,311	22,779
Utilities	7,790	806	6,984
Other purchased services	106,790	5,340	101,450
Supplies, materials and media	3,183,250	2,219,292	963,958
Other	630	156	474
Total expenditures	<u>5,464,837</u>	<u>4,234,076</u>	<u>1,230,761</u>
Excess (deficiency) of revenues over expenditures	(3,277,899)	(2,881,325)	396,574
Other financing sources:			
Transfers in - School Operating Fund	4,225,000	7,225,000	3,000,000
Net change in fund balance	<u>\$ 947,101</u>	4,343,675	<u>3,396,574</u>
Fund balance, beginning of year		<u>3,624,196</u>	
Fund balance, end of year		<u>\$ 7,967,871</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet

June 30, 2023

	Special Revenue Funds				
	Student Transportation	Community Education	Suicide Prevention	Title III-A English Language Acquisition	Title I-A Basic
<u>Assets</u>					
Accounts receivable	\$ -	-	-	-	-
Grants receivable	-	-	19,037	10,242	193,886
Inventory	-	-	-	-	-
Prepaid items	-	-	-	-	-
Due from other funds	2,656,489	746,914	-	-	-
Total assets	<u>\$ 2,656,489</u>	<u>746,914</u>	<u>19,037</u>	<u>10,242</u>	<u>193,886</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accounts payable	28,736	-	616	-	10,897
Unearned revenue	-	-	-	-	-
Due to other funds	-	-	18,421	10,242	182,989
Total liabilities	<u>28,736</u>	<u>-</u>	<u>19,037</u>	<u>10,242</u>	<u>193,886</u>
Fund balances:					
Nonspendable:					
Prepaid items	-	-	-	-	-
Committed:					
Pupil transportation	2,627,753	-	-	-	-
Student activities	-	-	-	-	-
Assigned:					
Community education	-	746,914	-	-	-
Instruction	-	-	-	-	-
Teacher housing	-	-	-	-	-
Total fund balances	<u>2,627,753</u>	<u>746,914</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 2,656,489</u>	<u>746,914</u>	<u>19,037</u>	<u>10,242</u>	<u>193,886</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

	Special Revenue Funds					
	Migrant Literacy	Title I-C Migrant Education	Title I-A School Improvement	Title II-A Supporting Effective Instruction	Title IV-A Student Support and Academic Enrichment	Elementary & Secondary Emergency Relief II
<u>Assets</u>						
Accounts receivable	\$ -	-	-	-	-	-
Grants receivable	750	3,839	107,641	77,020	6,820	330,376
Inventory	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	\$ 750	3,839	107,641	77,020	6,820	330,376
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Account payable	-	-	13,424	-	-	-
Unearned revenue	-	-	-	-	-	-
Due to other funds	750	3,839	94,217	77,020	6,820	330,376
Total liabilities	750	3,839	107,641	77,020	6,820	330,376
Fund balances:						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Committed:						
Pupil transportation	-	-	-	-	-	-
Student activities	-	-	-	-	-	-
Assigned:						
Community education	-	-	-	-	-	-
Instruction	-	-	-	-	-	-
Teacher housing	-	-	-	-	-	-
Total fund balances	-	-	-	-	-	-
Total liabilities and fund balances	\$ 750	3,839	107,641	77,020	6,820	330,376

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

		Special Revenue Funds					
		Elementary & Secondary Emergency Relief III	Title VI-B Special Education	Title VI-B Special Education ARP	Alternative School Kiita	Substance Misuse and Addiction Prevention	Carl Perkins
<u>Assets</u>							
Accounts receivable	\$	-	-	-	-	-	-
Grants receivable		19,383	387,852	4,925	2,436	1,902	60,339
Inventory		-	-	-	-	-	-
Prepaid items		-	-	-	-	-	-
Due from other funds		-	-	-	-	-	-
Total assets	\$	<u>19,383</u>	<u>387,852</u>	<u>4,925</u>	<u>2,436</u>	<u>1,902</u>	<u>60,339</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Account payable		-	-	-	-	-	-
Unearned revenue		-	-	-	-	-	-
Due to other funds		19,383	387,852	4,925	2,436	1,902	60,339
Total liabilities		<u>19,383</u>	<u>387,852</u>	<u>4,925</u>	<u>2,436</u>	<u>1,902</u>	<u>60,339</u>
Fund balances:							
Nonspendable:							
Prepaid items		-	-	-	-	-	-
Committed:							
Pupil transportation		-	-	-	-	-	-
Student activities		-	-	-	-	-	-
Assigned:							
Community education		-	-	-	-	-	-
Instruction		-	-	-	-	-	-
Teacher housing		-	-	-	-	-	-
Total fund balances		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	\$	<u>19,383</u>	<u>387,852</u>	<u>4,925</u>	<u>2,436</u>	<u>1,902</u>	<u>60,339</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

		Special Revenue Funds					
		Section 619 Preschool Disabled	Section 619 Idea ARP Funds	New Visions	Johnson O'Malley	Indian Education	RUS USDA Distance Learning and Telemedicine
<u>Assets</u>							
Accounts receivable	\$	-	-	-	-	-	-
Grants receivable		99	9,777	-	-	373,949	998,950
Inventory		-	-	-	-	-	-
Prepaid items		-	-	-	-	-	-
Due from other funds		-	-	11,896	278,960	-	-
Total assets	\$	<u>99</u>	<u>9,777</u>	<u>11,896</u>	<u>278,960</u>	<u>373,949</u>	<u>998,950</u>
<u>Liabilities and Fund Balances</u>							
Liabilities:							
Account payable		-	-	-	-	-	735,268
Unearned revenue		-	-	11,896	278,960	-	-
Due to other funds		99	9,777	-	-	373,949	263,682
Total liabilities		<u>99</u>	<u>9,777</u>	<u>11,896</u>	<u>278,960</u>	<u>373,949</u>	<u>998,950</u>
Fund balances:							
Nonspendable:							
Prepaid items		-	-	-	-	-	-
Committed:							
Pupil transportation		-	-	-	-	-	-
Student activities		-	-	-	-	-	-
Assigned:							
Community education		-	-	-	-	-	-
Instruction		-	-	-	-	-	-
Teacher housing		-	-	-	-	-	-
Total fund balances		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	\$	<u>99</u>	<u>9,777</u>	<u>11,896</u>	<u>278,960</u>	<u>373,949</u>	<u>998,950</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

Special Revenue Funds						
	Higher Pathways	ASRC Arctic Stars	Teacher Housing	Student Activity	Johnson O'Malley Capacity	Exxon Mobil Kaktovik
<u>Assets</u>						
Accounts receivable	-	-	14,400	-	-	-
Grants receivable	-	-	-	-	25,215	-
Inventory	-	-	-	-	-	-
Prepaid items	-	-	1,153,667	-	-	-
Due from other funds	3,253	146,903	1,060,836	614,863	-	27,016
Total assets	<u>\$ 3,253</u>	<u>146,903</u>	<u>2,228,903</u>	<u>614,863</u>	<u>25,215</u>	<u>27,016</u>
<u>Liabilities and Fund Balances</u>						
Liabilities:						
Accounts payable	-	-	106,332	-	-	-
Unearned revenue	3,253	146,903	-	-	-	27,016
Due to other funds	-	-	-	-	25,215	-
Total liabilities	<u>3,253</u>	<u>146,903</u>	<u>106,332</u>	<u>-</u>	<u>25,215</u>	<u>27,016</u>
Fund balances:						
Nonspendable:						
Prepaid items	-	-	1,153,667	-	-	-
Committed:						
Pupil transportation	-	-	-	-	-	-
Student activities	-	-	-	614,863	-	-
Assigned:						
Community education	-	-	-	-	-	-
Instruction	-	-	-	-	-	-
Teacher housing	-	-	968,904	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>2,122,571</u>	<u>614,863</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 3,253</u>	<u>146,903</u>	<u>2,228,903</u>	<u>614,863</u>	<u>25,215</u>	<u>27,016</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Balance Sheet, Continued

		Special Revenue Funds						
		ASCF Grants	Juneau Community Foundation	ELA Core Literacy	Covid School-Based Testing	AK PBIS Initiative	SERAC	Total
<u>Assets</u>								
Accounts receivable	\$	-	-	-	-	-	-	14,400
Grants receivable		-	-	223,129	82,482	85,892	-	3,025,941
Inventory		-	-	-	-	-	-	-
Prepaid items		-	-	-	-	-	-	1,153,667
Due from other funds		17,999	1,000	-	-	-	444,120	6,010,249
Total assets	\$	<u>17,999</u>	<u>1,000</u>	<u>223,129</u>	<u>82,482</u>	<u>85,892</u>	<u>444,120</u>	<u>10,204,257</u>
<u>Liabilities and Fund Balances</u>								
Liabilities:								
Accounts payable		-	-	-	78,960	12,480	-	986,713
Unearned revenue		17,999	1,000	-	-	-	-	487,027
Due to other funds		-	-	223,129	3,522	73,412	-	2,174,296
Total liabilities		<u>17,999</u>	<u>1,000</u>	<u>223,129</u>	<u>82,482</u>	<u>85,892</u>	<u>-</u>	<u>3,648,036</u>
Fund balances:								
Nonspendable:								
Prepaid items		-	-	-	-	-	-	1,153,667
Committed:								
Pupil transportation		-	-	-	-	-	-	2,627,753
Student activities		-	-	-	-	-	-	614,863
Assigned:								
Community education		-	-	-	-	-	-	746,914
Instruction		-	-	-	-	-	444,120	444,120
Teacher housing		-	-	-	-	-	-	968,904
Total fund balances		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,120</u>	<u>6,556,221</u>
Total liabilities and fund balances	\$	<u>17,999</u>	<u>1,000</u>	<u>223,129</u>	<u>82,482</u>	<u>85,892</u>	<u>444,120</u>	<u>10,204,257</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2023

	Special Revenue Funds						
	Student Transportation	Community Education	Suicide Prevention	Broadband Assistance (BAG)	Title III-A English Language Acquisition	Title I-A Basic	Migrant Literacy
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	11,000	4,500	-	-	-	-	-
Intergovernmental:							
State of Alaska	2,301,810	-	21,724	322,128	-	-	-
Federal sources	-	-	-	-	27,375	409,854	750
Total revenues	\$ 2,312,810	4,500	21,724	322,128	27,375	409,854	750
Expenditures:							
Current:							
Instruction	-	-	-	-	-	377,850	-
Special education support services - students	-	-	-	-	-	-	-
Support services - students	-	-	20,797	-	-	-	-
Support services - instruction	-	-	-	322,128	26,206	14,505	718
School administration support services:	-	-	-	-	-	-	-
District administration support services	-	-	927	-	1,169	17,499	32
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	-	-	-	-	-
Student transportation - to and from school	2,357,004	-	-	-	-	-	-
Community services	-	187,740	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principal on long-term debt	-	-	-	-	-	-	-
Total expenditures	2,357,004	187,740	21,724	322,128	27,375	409,854	750
Excess (deficiency) of revenues over expenditures	(44,194)	(183,240)	-	-	-	-	-
Other financing sources:							
Transfers in	1,150,000	775,000	-	-	-	-	-
Net change in fund balance	1,105,806	591,760	-	-	-	-	-
Fund balance, beginning of year	1,521,947	155,154	-	-	-	-	-
Fund balance, end of year	\$ 2,627,753	746,914	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds							
	Title I-C Migrant Education	Title I-A School Improvement	Title II-A Supporting Effective Instruction	Title IV-A Student Support and Academic Enrichment	CARES ACT Governor's Emergency Educational Relief I	NSLP Equipment Assistance Grant	Elementary & Secondary Emergency Relief II	Elementary & Secondary Emergency Relief III
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Intergovernmental:								
State of Alaska	-	-	-	-	-	-	-	-
Federal sources	3,839	139,467	163,314	31,388	11,459	3,402	1,224,995	350,218
Total revenues	\$ 3,839	139,467	163,314	31,388	11,459	3,402	1,224,995	350,218
Expenditures:								
Current:								
Instruction	-	75,320	-	3,780	-	-	270,688	190,746
Special education support services - students	-	-	-	-	-	-	-	-
Support services - students	-	34,817	-	7,168	-	-	163,869	-
Support services - instruction	3,676	15,982	156,341	19,100	10,970	-	311,041	-
District administration	-	7,418	-	-	-	-	23,828	(250)
District administration support services	163	5,930	6,973	1,340	489	-	52,302	14,953
Operations and maintenance of plant	-	-	-	-	-	-	403,267	144,769
Student activities	-	-	-	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-	-
Food services	-	-	-	-	-	3,402	-	-
Debt service:								
Interest on long-term debt	-	-	-	-	-	-	-	-
Redemption of principal on long-term debt	-	-	-	-	-	-	-	-
Total expenditures	3,839	139,467	163,314	31,388	11,459	3,402	1,224,995	350,218
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	-
Other financing sources:								
Transfers in	-	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds						
	Title VI-B Special Education	Title VI-B Special Education ARP	Alternative School Kiita	Substance Misuse and Addiction Prevention	Carl Perkins	Section 619 Preschool Disabled	Section 619 Idea ARP Funds
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Intergovernmental:							
State of Alaska	-	-	25,272	3,961	-	-	-
Federal sources	717,499	128,892	-	-	66,111	13,449	13,329
Total revenues	\$ 717,499	128,892	25,272	3,961	66,111	13,449	13,329
Expenditures:							
Current:							
Instruction	-	-	3,636	-	63,288	-	-
Special education support services - students	686,865	112,749	-	-	-	12,875	-
Support services - students	-	-	2,998	3,792	-	-	-
Support services - instruction	-	10,640	9,319	-	-	-	12,760
School administration support services:	-	-	-	-	-	-	-
District administration support services	30,634	5,503	1,079	169	2,823	574	569
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	-	8,240	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principal on long-term debt	-	-	-	-	-	-	-
Total expenditures	717,499	128,892	25,272	3,961	66,111	13,449	13,329
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-
Other financing sources:							
Transfers in	-	-	-	-	-	-	-
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds						
	Johnson O'Malley	Indian Education	Alaska Native Education	RUS USDA Distance Learning and Telemedicine	Staff Development	Higher Pathways	Conoco Phillips Nuiqsut
Revenues:							
Local sources:							
Charges for services	\$ -	-	-	-	-	-	-
Other	-	-	-	-	-	1,500	7,203
Intergovernmental:							
State of Alaska	-	-	-	-	800	-	-
Federal sources	49,202	602,829	215,027	998,950	4,528	-	-
Total revenues	\$ 49,202	602,829	215,027	998,950	5,328	1,500	7,203
Expenditures:							
Current:							
Instruction	47,102	374,467	96,414	-	-	-	7,203
Special education support services - students	-	-	-	-	-	-	-
Support services - students	-	-	13,672	-	-	1,500	-
Support services - instruction	-	43,243	104,941	1,149,450	5,328	-	-
School administration support services:	-	-	-	-	-	-	-
District administration support services	2,100	25,738	-	-	-	-	-
Operations and maintenance of plant	-	-	-	-	-	-	-
Student activities	-	159,381	-	-	-	-	-
Student transportation - to and from school	-	-	-	-	-	-	-
Community services	-	-	-	-	-	-	-
Food services	-	-	-	-	-	-	-
Debt service:							
Interest on long-term debt	-	-	-	-	-	-	-
Redemption of principal on long-term debt	-	-	-	-	-	-	-
Total expenditures	49,202	602,829	215,027	1,149,450	5,328	1,500	7,203
Excess (deficiency) of revenues over expenditures	-	-	-	(150,500)	-	-	-
Other financing sources:							
Transfers in	-	-	-	150,500	-	-	-
Net change in fund balance	-	-	-	-	-	-	-
Fund balance, beginning of year	-	-	-	-	-	-	-
Fund balance, end of year	\$ -	-	-	-	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

	Special Revenue Funds					HMS Micro Grants For Food Security 2022
	ASRC Arctic Stars	Teacher Housing	Student Activity	Rural Student Services	Johnson O'Malley Capacity	
Revenues:						
Local sources:						
Charges for services	\$ -	1,453,639	-	-	-	-
Other	91,365	-	383,591	-	-	-
Intergovernmental:						
State of Alaska	-	-	-	3,750	-	-
Federal sources	-	-	-	-	25,215	6,238
Total revenues	\$ 91,365	1,453,639	383,591	3,750	25,215	6,238
Expenditures:						
Current:						
Instruction	22,576	-	-	-	24,138	6,238
Special education support services - students	1,606	-	-	3,750	-	-
Support services - students	-	-	-	-	-	-
Support services - instruction	-	-	-	-	-	-
School administration support services:						
District administration support services	-	-	-	-	1,077	-
Operations and maintenance of plant	-	2,841,924	-	-	-	-
Student activities	59,928	-	368,710	-	-	-
Student transportation - to and from school	-	-	-	-	-	-
Community services	7,255	-	-	-	-	-
Food services	-	-	-	-	-	-
Debt service:						
Interest on long-term debt	-	2,587	-	-	-	-
Redemption of principal on long-term debt	-	8,213	-	-	-	-
Total expenditures	91,365	2,852,724	368,710	3,750	25,215	6,238
Excess (deficiency) of revenues over expenditures	-	(1,399,085)	14,881	-	-	-
Other financing sources:						
Transfers in	-	2,365,000	-	-	-	-
Net change in fund balance	-	965,915	14,881	-	-	-
Fund balance, beginning of year	-	1,156,656	599,982	-	-	-
Fund balance, end of year	\$ -	2,122,571	614,863	-	-	-

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Other Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, Continued

Special Revenue Funds								
	FFVP (July-Sept)	FFVP (Oct-May)	Exxon Mobil Kaktovik	ELA Core Literacy	Covid School-Based Testing	AK PBIS Initiative	SERAC	Total
Revenues:								
Local sources:								
Charges for services	\$ -	-	-	-	-	-	-	1,453,639
Other	-	-	40,727	-	-	-	-	539,886
Intergovernmental:								
State of Alaska	-	-	-	-	-	-	-	2,679,445
Federal sources	11,400	33,344	-	223,129	82,482	85,892	-	5,643,577
Total revenues	<u>\$ 11,400</u>	<u>33,344</u>	<u>40,727</u>	<u>223,129</u>	<u>82,482</u>	<u>85,892</u>	<u>-</u>	<u>10,316,547</u>
Expenditures:								
Current:								
Instruction	-	-	32,062	-	-	-	-	1,595,508
Special education support services - students	-	-	-	-	-	-	-	817,845
Support services - students	-	-	6,188	-	-	16,089	-	270,890
Support services - instruction	-	-	-	213,603	-	52,570	-	2,482,521
School administration support services	-	-	474	-	-	13,566	-	45,036
District administration support services	-	-	-	9,526	3,522	3,667	-	188,758
Operations and maintenance of plant	-	-	-	-	78,960	-	-	3,468,920
Student activities	-	-	-	-	-	-	-	596,259
Student transportation - to and from school	-	-	-	-	-	-	-	2,357,004
Community services	-	-	2,003	-	-	-	-	196,998
Food services	11,400	33,344	-	-	-	-	-	48,146
Debt service:								
Interest on long-term debt	-	-	-	-	-	-	-	2,587
Redemption of principal on long-term debt	-	-	-	-	-	-	-	8,213
Total expenditures	<u>11,400</u>	<u>33,344</u>	<u>40,727</u>	<u>223,129</u>	<u>82,482</u>	<u>85,892</u>	<u>-</u>	<u>12,078,685</u>
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	-	(1,762,138)
Other financing sources:								
Transfers in	-	-	-	-	-	-	-	4,440,500
Net change in fund balance	-	-	-	-	-	-	-	2,678,362
Fund balance, beginning of year	-	-	-	-	-	-	444,120	3,877,859
Fund balance, end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,120</u>	<u>6,556,221</u>

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Student Transportation Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ -	11,000	11,000
Intergovernmental:			
State of Alaska	2,282,265	2,301,810	19,545
Total revenues	<u>2,282,265</u>	<u>2,312,810</u>	<u>30,545</u>
Expenditures:			
Student transportation - to and from school:			
Non-certificated salaries	1,482,015	1,340,561	141,454
Employee benefits	774,000	766,716	7,284
Professional and technical services	3,000	1,900	1,100
Staff travel	1,500	720	780
Utility services	68,200	5,908	62,292
Energy	-	61,925	(61,925)
Other purchased services	1,500	980	520
Supplies, materials and media	236,750	177,889	58,861
Other	300	405	(105)
Total expenditures	<u>2,567,265</u>	<u>2,357,004</u>	<u>210,261</u>
Excess (deficiency) of revenues over expenditures	(285,000)	(44,194)	(179,716)
Other financing sources (uses):			
Transfers in - School Operating Fund	<u>150,000</u>	<u>1,150,000</u>	<u>1,000,000</u>
Net change in fund balance	<u>\$ (135,000)</u>	1,105,806	<u>1,240,806</u>
Fund balance, beginning of year		<u>1,521,947</u>	
Fund balance, end of year		<u>\$ 2,627,753</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Community Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 4,500	4,500	-
Expenditures:			
Community services:			
Non-certificated salaries	231,100	164,535	66,565
Employee benefits	46,530	23,205	23,325
Supplies, materials and media	1,870	-	1,870
Total expenditures	<u>279,500</u>	<u>187,740</u>	<u>91,760</u>
Excess (deficiency) of revenues over expenditures	(275,000)	(183,240)	(91,760)
Other financing sources:			
Transfers in - School Operating Fund	<u>275,000</u>	<u>775,000</u>	<u>500,000</u>
Net change in fund balance	\$ <u>-</u>	591,760	<u>591,760</u>
Fund balance, beginning of year		<u>155,154</u>	
Fund balance, end of year		\$ <u><u>746,914</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Suicide Prevention Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 30,000	21,724	(8,276)
Expenditures:			
Support services - students:			
Staff travel	8,057	-	8,057
Supplies, material and media	20,662	20,797	(135)
Total support services - students	<u>28,719</u>	<u>20,797</u>	<u>7,922</u>
District administration support services:			
Indirect costs	1,281	927	354
Total expenditures	<u>30,000</u>	<u>21,724</u>	<u>8,276</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Broadband Assistance (BAG) Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 322,128	322,128	-
Expenditures:			
Support services - instruction:			
Utility services	322,128	322,128	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title III-A English Language Acquisition Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 27,375	27,375	-
Expenditures:			
Support services - instruction:			
Certificated salaries	11,550	11,550	-
Employee benefits	4,851	4,851	-
Supplies, materials and media	9,805	9,805	-
Total support services - instruction	<u>26,206</u>	<u>26,206</u>	<u>-</u>
District administration support services:			
Indirect costs	1,169	1,169	-
Total expenditures	<u>27,375</u>	<u>27,375</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-A Basic Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 666,173	409,854	(256,319)
Expenditures:			
Instruction:			
Certificated salaries	307,665	254,868	52,797
Non-certificated salaries	45,000	5,000	40,000
Employee benefits	201,800	64,303	137,497
Supplies, material and media	53,507	53,679	(172)
Total instruction	<u>607,972</u>	<u>377,850</u>	<u>230,122</u>
Support services - students:			
Supplies, material and media	7,376	-	7,376
Support services - instruction:			
Certificated salaries	10,167	10,635	(468)
Employee benefits	5,715	3,870	1,845
Staff travel	6,500	-	6,500
Total support services - instruction	<u>22,382</u>	<u>14,505</u>	<u>7,877</u>
District administration support services:			
Indirect costs	28,443	17,499	10,944
Total expenditures	<u>666,173</u>	<u>409,854</u>	<u>256,319</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Migrant Literacy Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 750	750	-
Expenditures:			
Support services - instruction:			
Supplies, material and media	718	718	-
District administration support services:			
Indirect costs	32	32	-
Total expenditures	750	750	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-C Migrant Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 135,580	3,839	(131,741)
Expenditures:			
Support services - instruction:			
Non-certificated salaries	52,800	-	52,800
Employee benefits	26,400	-	26,400
Supplies, material and media	50,591	3,676	46,915
Total support services - instruction	<u>129,791</u>	<u>3,676</u>	<u>126,115</u>
District administration support services:			
Indirect costs	5,789	163	5,626
Total expenditures	<u>135,580</u>	<u>3,839</u>	<u>131,741</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title I-A School Improvement Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 222,000	139,467	(82,533)
Expenditures:			
Instruction:			
Certificated salaries	7,500	5,000	2,500
Employee benefits	4,066	259	3,807
Supplies, material and media	119,392	70,061	49,331
Total instruction	<u>130,958</u>	<u>75,320</u>	<u>55,638</u>
Support services - students:			
Certificated salaries	1	-	1
Employee benefits	217	-	217
Professional and technical services	15,625	13,125	2,500
Supplies, materials and media	22,039	21,692	347
Total support services - students	<u>37,882</u>	<u>34,817</u>	<u>3,065</u>
Support services - instruction:			
Non-certificated salaries	3,500	-	3,500
Professional and technical services	13,485	2,724	10,761
Staff travel	12,255	8,936	3,319
Supplies, materials and media	7,000	4,322	2,678
Total support services - instruction	<u>36,240</u>	<u>15,982</u>	<u>20,258</u>
School administration:			
Professional and technical services	747	1,695	(948)
Staff travel	6,695	5,723	972
Total school administration	<u>7,442</u>	<u>7,418</u>	<u>24</u>
District administration support services:			
Indirect costs	9,478	5,930	3,548
Total expenditures	<u>222,000</u>	<u>139,467</u>	<u>82,533</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title II-A Supporting Effective Instruction Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 228,854	163,314	(65,540)
Expenditures:			
Support services - instruction:			
Certificated salaries	67,967	71,359	(3,392)
Employee benefits	42,819	23,141	19,678
Professional and technical services	52,750	30,986	21,764
Staff travel	35,147	30,855	
Supplies, materials and media	20,400	-	20,400
Total support services - instruction	<u>219,083</u>	<u>156,341</u>	<u>58,450</u>
District administration support services:			
Indirect costs	9,771	6,973	2,798
Total expenditures	<u>228,854</u>	<u>163,314</u>	<u>61,248</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		<u>\$ -</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title IV-A Student Support and Academic Enrichment Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 106,946	31,388	(75,558)
Expenditures:			
Instruction:			
Non-certificated salaries	42,000	-	42,000
Employee benefits	21,000	-	21,000
Supplies, materials and media	3,840	3,780	60
Total instruction	<u>66,840</u>	<u>3,780</u>	<u>63,060</u>
Support services - students:			
Professional and technical services	500	-	500
Supplies, materials and media	8,790	7,168	1,622
Other	7,150	-	7,150
Total support services - students	<u>16,440</u>	<u>7,168</u>	<u>9,272</u>
Support services - instruction:			
Professional and technical services	19,100	19,100	-
District administration support services:			
Indirect costs	4,566	1,340	3,226
Total expenditures	<u>106,946</u>	<u>31,388</u>	<u>75,558</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

CARES ACT Governor's Emergency Educational Relief I Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 11,459	11,459	-
Expenditures:			
Support services - instruction:			
Non-certificated salaries	8,270	8,270	-
Employee benefits	2,700	2,700	-
Total support services - instruction	<u>10,970</u>	<u>10,970</u>	<u>-</u>
District administrative support services:			
Indirect costs	489	489	-
Total expenditures	<u>11,459</u>	<u>11,459</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 NSLP Equipment Assistance Grant Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Federal sources pass through State of Alaska	\$ <u>4,478</u>	<u>3,402</u>	<u>(1,076)</u>
Expenditures:			
Food services:			
Supplies, materials and media	<u>4,478</u>	<u>3,402</u>	<u>1,076</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Elementary and Secondary School Emergency Relief II Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 1,224,995	1,224,995	-
Expenditures:			
Instruction:			
Certificated salaries	77,420	77,420	-
Non-certificated salaries	16,250	5,774	10,476
Employee benefits	16,329	13,131	3,198
Professional and technical services	175,000	171,986	3,014
Supplies, materials and media	45,000	2,377	42,623
Total instruction	<u>329,999</u>	<u>270,688</u>	<u>59,311</u>
Support services - students:			
Non-certificated salaries	93,000	97,390	(4,390)
Employee benefits	60,213	66,479	(6,266)
Total support services - students	<u>153,213</u>	<u>163,869</u>	<u>(10,656)</u>
Support services - instruction:			
Non-certificated salaries	71,625	78,167	(6,542)
Employee benefits	8,281	9,311	(1,030)
Professional and technical services	215,000	214,000	1,000
Staff travel	-	9,563	(9,563)
Total support services - instruction	<u>294,906</u>	<u>311,041</u>	<u>(16,135)</u>
School administration support services:			
Employee benefits	7,116	-	7,116
District administration:			
Staff travel	-	23,828	(23,828)
District administration support services:			
Indirect costs	52,302	52,302	-
Operations and maintenance of plant:			
Non-certificated salaries	82,955	155,918	(72,963)
Employee benefits	85,868	96,589	(10,721)
Professional and technical services	100,000	103,017	(3,017)
Staff travel	40,000	5,638	34,362
Supplies, materials and media	-	42,105	(42,105)
Total operations and maintenance of plant	<u>308,823</u>	<u>403,267</u>	<u>(94,444)</u>
Student transportation - to and from school:			
Non-certificated salaries	29,375	-	29,375
Employee benefits	9,943	-	9,943
Total student transportation - to and from school	<u>39,318</u>	<u>-</u>	<u>39,318</u>
Food services:			
Non-certificated salaries	29,375	-	29,375
Employee benefits	9,943	-	9,943
Total food services	<u>39,318</u>	<u>-</u>	<u>39,318</u>
Total expenditures	<u>1,224,995</u>	<u>1,224,995</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Elementary and Secondary School Emergency Relief III Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 3,259,051	350,218	(2,908,833)
Expenditures:			
Instruction:			
Certificated salaries	738,979	-	738,979
Employee benefits	501,562	-	501,562
Staff travel	85,000	1,766	83,234
Supplies, materials and media	1,190,000	188,980	1,001,020
Total instruction	<u>2,515,541</u>	<u>190,746</u>	<u>2,324,795</u>
Support services - instruction:			
Professional and technical services	212,960	-	212,960
Staff travel	40,000	-	40,000
Total support services instruction	<u>252,960</u>	<u>-</u>	<u>252,960</u>
District administration:			
Staff travel	-	(250)	250
District administration support services:			
Indirect costs	139,102	14,953	124,149
Operations and maintenance of plant:			
Non-certificated salaries	161,000	9,000	(152,000)
Employee benefits	51,030	921	(50,109)
Staff travel	11,289	30,812	19,523
Supplies, materials and media	128,129	104,036	(24,093)
Total operations and maintenance of plant	<u>351,448</u>	<u>144,769</u>	<u>(206,679)</u>
Total expenditures	<u>3,259,051</u>	<u>350,218</u>	<u>2,495,475</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Title VI-B Special Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 836,280	717,499	(118,781)
Expenditures:			
Special education support services - students:			
Non-certificated salaries	96,186	67,056	29,130
Employee benefits	56,861	53,412	3,449
Professional and technical services	575,000	533,763	41,237
Supplies, materials and media	71,927	32,034	39,893
Other	600	600	-
Total special education support services-students	<u>800,574</u>	<u>686,865</u>	<u>113,709</u>
District administration support services:			
Indirect costs	<u>35,706</u>	<u>30,634</u>	<u>5,072</u>
Total expenditures	<u>836,280</u>	<u>717,499</u>	<u>118,781</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 Title VI-B Special Education ARP Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual
 Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ <u>149,019</u>	<u>128,892</u>	<u>(20,127)</u>
Expenditures:			
Special education support services - students:			
Supplies, materials and media	<u>122,656</u>	<u>112,749</u>	<u>9,907</u>
Support services -Instruction:			
Professional and technical services	<u>20,000</u>	<u>10,640</u>	<u>9,360</u>
District administration support services:			
Indirect costs	<u>6,363</u>	<u>5,503</u>	<u>860</u>
Total expenditures	<u>149,019</u>	<u>128,892</u>	<u>20,127</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Alternative School Kiita Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 26,000	25,272	(728)
Expenditures:			
Instruction:			
Supplies, materials and media	3,642	3,636	6
Support services - students:			
Supplies, materials and media	3,500	2,998	502
Support services - instruction:			
Professional and technical services	990	990	-
Staff travel	8,518	8,329	189
Total support services - instruction	9,508	9,319	189
District administration support services:			
Indirect costs	1,110	1,079	31
Student activities:			
Student travel	8,240	8,240	-
Total expenditures	26,000	25,272	728
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Substance Misuse and Addiction Prevention Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 8,900	3,961	(4,939)
Expenditures:			
Support services - students:			
Supplies, materials and media	8,520	3,792	4,728
District administration support services:			
Indirect costs	380	169	211
Total expenditures	8,900	3,961	4,939
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Carl Perkins Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 66,111	66,111	-
Expenditures:			
Instruction:			
Certificated salaries	4,644	4,826	(182)
Employee benefits	2,926	2,744	182
Staff travel	55,718	55,718	-
Total Instruction	<u>63,288</u>	<u>63,288</u>	<u>-</u>
District administration support services:			
Indirect costs	<u>2,823</u>	<u>2,823</u>	<u>-</u>
Total expenditures	<u>66,111</u>	<u>66,111</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		<u>\$ -</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
Section 619 Preschool Disabled Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 13,449	13,449	-
Expenditures:			
Special education support services - students:			
Professional and technical services	12,875	12,875	-
District administration support services:			
Indirect costs	574	574	-
Total expenditures	<u>13,449</u>	<u>13,449</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
SECTION 619 IDEA ARP Funds Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues:			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 14,530	13,329	(1,201)
Expenditures:			
Support services - instruction:			
Professional and technical services	13,910	12,760	1,150
District Administration support services:			
Indirect costs	620	569	51
Total expenditures	<u>14,530</u>	<u>13,329</u>	<u>1,201</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	-	<u><u>-</u></u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u><u>-</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Johnson O'Malley Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 160,557	49,202	(111,355)
Expenditures:			
Instruction:			
Professional and technical services	49,526	24,061	25,465
Staff travel	-	2,627	(2,627)
Supplies, materials and media	104,176	20,414	83,762
Total instruction	<u>153,702</u>	<u>47,102</u>	<u>106,600</u>
District administration support services:			
Indirect costs	<u>6,855</u>	<u>2,100</u>	<u>4,755</u>
Total expenditures	<u>160,557</u>	<u>49,202</u>	<u>111,355</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Indian Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 602,829	602,829	-
Expenditures:			
Instruction:			
Certificated salaries	143,996	143,990	6
Non-certificated salaries	12,654	10,634	2,020
Employee benefits	38,214	48,668	(10,454)
Professional and technical services	11,730	11,730	-
Staff travel	105,730	98,658	7,072
Supplies, materials and media	60,780	60,787	(7)
Total instruction	<u>373,104</u>	<u>374,467</u>	<u>(1,363)</u>
Support services- instruction:			
Certificated salaries	-	2,020	(2,020)
Non-certificated salaries	11,205	11,211	(6)
Employee benefits	20,811	10,292	10,519
Supplies, materials, and media	19,727	19,720	7
Total support services - instruction	<u>51,743</u>	<u>43,243</u>	<u>8,500</u>
District administration support services:			
Indirect costs	<u>25,738</u>	<u>25,738</u>	-
Student activities:			
Certificated salaries	8,260	8,260	-
Employee benefits	975	1,143	(168)
Staff travel	142,734	149,703	(6,969)
Supplies, materials, and media	275	275	-
Total student activities	<u>152,244</u>	<u>159,381</u>	<u>(7,137)</u>
Total expenditures	<u>602,829</u>	<u>602,829</u>	-
Excess of revenues over expenditures	<u>\$ -</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		<u>\$ -</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Alaska Native Education Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Federal sources passed through Arctic Slope Native Foundation	\$ 222,637	215,027	(7,610)
Expenditures:			
Instruction:			
Certificated salaries	10,472	11,385	(913)
Employee benefits	4,049	4,055	(6)
Professional and technical services	15,000	13,397	1,603
Staff travel	38,889	9,757	29,132
Supplies, materials and media	3,000	57,820	(54,820)
Total instruction	<u>71,410</u>	<u>96,414</u>	<u>(25,004)</u>
Support services - students:			
Professional and technical services	23,491	-	23,491
Supplies, materials and media	17,847	13,672	4,175
Total support services - students	<u>41,338</u>	<u>13,672</u>	<u>27,666</u>
Support services- instruction:			
Professional and technical services	75,889	88,644	(12,755)
Supplies, materials and media	34,000	16,297	17,703
Total support services - instruction	<u>109,889</u>	<u>104,941</u>	<u>4,948</u>
Total expenditures	<u>222,637</u>	<u>215,027</u>	<u>7,610</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

RUS USDA Distance Learning and Telemedicine Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 998,950	998,950	-
Expenditures:			
Support services- instruction:			
Supplies, materials and media	795,653	795,653	-
Equipment	353,797	353,797	-
Total expenditures	<u>1,149,450</u>	<u>1,149,450</u>	-
Excess (deficiency) of revenues over expenditures	(150,500)	(150,500)	-
Other financing sources:			
Transfers in - School Operating Fund	150,500	150,500	-
Net change in fund balance	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Staff Development Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
State of Alaska	\$ 800	800	-
Federal sources passed through the State of Alaska	6,000	4,528	(1,472)
Total revenues	<u>6,800</u>	<u>5,328</u>	<u>(1,472)</u>
Expenditures:			
Support services- instruction:			
Professional and technical services	800	800	-
Staff travel	6,000	4,528	1,472
Total expenditures	<u>6,800</u>	<u>5,328</u>	<u>1,472</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Higher Pathways Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources:			
Other	\$ 4,753	1,500	(3,253)
	<u> </u>	<u> </u>	<u> </u>
Expenditures:			
Support services- students:			
Supplies, materials and media	4,753	1,500	3,253
	<u> </u>	<u> </u>	<u> </u>
Excess of revenues over expenditures	\$ -	-	-
	<u> </u>	<u> </u>	<u> </u>
Fund balance, beginning of year		-	
		<u> </u>	
Fund balance, end of year		\$ -	
		<u> </u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Conoco Phillips Nuiqsut Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues:			
Local sources:			
Other	\$ <u>7,203</u>	<u>7,203</u>	<u>-</u>
Expenditures:			
Instruction:			
Supplies, materials and media	<u>7,203</u>	<u>7,203</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u><u>-</u></u>	<u>-</u>	<u><u>-</u></u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u><u>-</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

ASRC Arctic Stars Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 246,269	91,365	(154,904)
Expenditures:			
Instruction:			
Non-certificated salaries	34,065	-	34,065
Supplies, materials and media	37,160	22,576	14,584
Other	-	-	-
Total instruction	<u>71,225</u>	<u>22,576</u>	<u>48,649</u>
Support services - students:			
Supplies, materials, and media	<u>1,343</u>	<u>1,606</u>	<u>(263)</u>
Student activities:			
Student travel	2,780	3,667	(887)
Supplies, materials, and media	<u>135,911</u>	<u>56,261</u>	<u>79,650</u>
Total student activities	<u>138,691</u>	<u>59,928</u>	<u>78,763</u>
Community services:			
Supplies, material and media	<u>35,010</u>	<u>7,255</u>	<u>27,755</u>
Total expenditures	<u>246,269</u>	<u>91,365</u>	<u>154,904</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Teacher Housing Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Charges for services	\$ 1,443,000	1,453,639	10,639
Expenditures:			
Operations and maintenance of plant:			
Non-certificated salaries	501,300	459,132	42,168
Employee benefits	223,500	207,095	16,405
Professional and technical services	10,000	4,832	5,168
Utility services	303,400	295,829	7,571
Energy	451,600	474,760	(23,160)
Other purchased services	1,113,000	1,081,531	31,469
Supplies, materials and media	373,200	318,745	54,455
Total operations and maintenance of plant	<u>2,976,000</u>	<u>2,841,924</u>	<u>134,076</u>
Debt service:			
Interest on long-term debt	-	2,587	(2,587)
Redemption of principal on long-term debt	-	8,213	(8,213)
Total debt service	<u>-</u>	<u>10,800</u>	<u>(10,800)</u>
Total expenditures	<u>2,976,000</u>	<u>2,852,724</u>	<u>123,276</u>
Excess (deficiency) of revenues over expenditures	<u>(1,533,000)</u>	<u>(1,399,085)</u>	<u>133,915</u>
Other financing sources:			
Transfers in - School Operating Fund	<u>1,365,000</u>	<u>2,365,000</u>	<u>1,000,000</u>
Net change in fund balance	\$ <u>(168,000)</u>	965,915	<u>1,133,915</u>
Fund balance, beginning of year		<u>1,156,656</u>	
Fund balance, end of year		\$ <u><u>2,122,571</u></u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Student Activity Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Other	\$ 410,000	383,591	(26,409)
Expenditures:			
Student activities			
Supplies, materials and media	410,000	368,710	41,290
Excess of revenues over expenditures	\$ -	14,881	14,881
Fund balance, beginning of year		599,982	
Fund balance, end of year		\$ 614,863	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Rural Student Services Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
State of Alaska	\$ 3,750	3,750	-
Expenditures:			
Support services - students:			
Supplies, materials and media	3,750	3,750	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Johnson O'Malley Capacity Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Intergovernmental:			
Direct federal sources	\$ 25,215	25,215	-
Expenditures:			
Instruction:			
Staff travel	19,869	19,869	-
Professional and technical and services	4,269	4,269	-
Total instruction	<u>24,138</u>	<u>24,138</u>	<u>-</u>
District administration support services:			
Indirect costs	1,077	1,077	-
Total expenditures	<u>25,215</u>	<u>25,215</u>	<u>-</u>
Excess of revenues over expenditures	\$ <u>-</u>	-	<u>-</u>
Fund balance, beginning of year		<u>-</u>	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

HMS Micro Grants For Food Security 2022 Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources through the State of Alaska	\$ 6,444	6,238	(206)
Expenditures:			
Instruction:			
Supplies, materials and media	6,444	6,238	206
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

FFVP (July-Sept) Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources through the State of Alaska	\$ 11,400	11,400	-
Expenditures:			
Food services:			
Supplies, materials and media	11,400	11,400	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

FFVP (Oct-May) Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources through the State of Alaska	\$ 69,160	33,344	(35,816)
Expenditures:			
Food services:			
Supplies, materials and media	69,160	33,344	35,816
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Exxon Mobil Kaktovik Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Local sources:			
Other	\$ 57,744	40,727	(17,017)
Expenditures:			
Instructional:			
Employee benefits	307	-	307
Professional and technical services	1,500	-	1,500
Student travel	19,710	21,191	(1,481)
Supplies, materials and media	16,700	10,871	5,829
Total Instruction	<u>38,217</u>	<u>32,062</u>	<u>6,155</u>
Support services - students:			
Supplies, materials and media	7,000	6,188	812
School administration support services:			
Supplies, materials and media	7,787	474	7,313
Community services:			
Non-certificated salaries	4,300	1,817	2,483
Employee benefits	440	186	254
Total community services	<u>4,740</u>	<u>2,003</u>	<u>2,737</u>
Total expenditures	<u>94,154</u>	<u>40,727</u>	<u>53,427</u>
Excess of revenues over expenditures	\$ <u>(36,410)</u>	-	<u>36,410</u>
Fund balance, beginning of year		-	
Fund balance, end of year		\$ <u>-</u>	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

ELA Core Literacy Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources passed through State of Alaska	\$ 249,245	223,129	(26,116)
Expenditures:			
Support services - instruction:			
Staff travel	25,000	-	25,000
Supplies, materials and media	213,603	213,603	-
Total support services - instruction	238,603	213,603	25,000
District administration support services:			
Indirect costs	10,642	9,526	1,116
Total expenditures	249,245	223,129	26,116
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT
 COVID School-Based Testing Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources passed through State of Alaska	\$ 118,103	82,482	(35,621)
Expenditures:			
District administration support services:			
Indirect costs	5,042	3,522	1,520
Operations and maintenance of plant:			
Supplies, materials and media	113,061	78,960	34,101
Total expenditures	118,103	82,482	35,621
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

AK PBIS Initiative Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues			
Intergovernmental:			
Federal sources passed through the State of Alaska	\$ 132,411	85,892	(46,519)
Expenditures:			
Support services - students:			
Staff travel	4,000	4,089	(89)
Professional and technical services	12,000	12,000	-
Total support services - students	16,000	16,089	(89)
Support services - instruction:			
Staff travel	44,000	43,223	777
Supplies, materials and media	37,411	9,347	28,064
Total support services - instruction	81,411	52,570	28,841
School administration:			
Staff travel	29,347	13,566	15,781
District administration support services:			
Indirect costs	5,653	3,667	1,986
Total expenditures	132,411	85,892	46,519
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		-	
Fund balance, end of year		\$ -	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

SERAC Special Revenue Fund

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual

Year Ended June 30, 2023

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues	\$ -	-	-
Expenditures	-	-	-
Excess of revenues over expenditures	\$ -	-	-
Fund balance, beginning of year		444,120	
Fund balance, end of year		\$ 444,120	

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Compliance - AS 14.17.505

June 30, 2023

Total fund balance - School Operating Fund	\$ 11,242,072
less exemptions per 4 AAC 09.160(a)	
Prepaid items	2,885,381
Encumbrances	2,674,819
Federal impact aid received	<u>618,740</u>
Fund Balance Subject to 10% Limitation	\$ <u><u>5,063,132</u></u>

Nonexempt fund balance as a percentage of current year expenditures:

<u>Fund balance subject to limitation</u>	<u>5,063,132</u>	=	<u>7.40%</u>
Current year expenditures	68,465,284		

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

<u>Grant Title</u>	<u>Grant Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of Education:				
Direct:				
Impact Aid	S041B-2023-0166	84.041	\$ 4,074	4,074
Impact Aid	S041B-2023-0166	84.041	614,666	614,666
Total ALN 84.041			<u>618,740</u>	<u>618,740</u>
Indian Education	S060A220651	84.060A	602,829	602,829
Total direct programs			<u>1,221,569</u>	<u>1,221,569</u>
Passed through Arctic Slope Community Foundation:				
Alaska Native Education	S356A180018-20	84.356A	594,083	215,027
Passed through the State of Alaska,				
Department of Education and Early Development:				
Title I-A Basic	IP 22.NSSD.01	84.010	121,522	121,522
Title I-A Basic	IP 23.NSSD.01	84.010A	544,651	288,332
Title I-A School Improvement	SI 23.NSSD.01	84.010	222,000	139,467
Total ALN 84.010			<u>888,173</u>	<u>549,321</u>
Title I-C Migrant Literacy	MB 23.NSSD.01	84.011	750	750
Title I-C Migrant Education	IP 22.NSSD.01	84.011	12,795	3,839
Total ALN 84.011			<u>13,545</u>	<u>4,589</u>
Special Education Cluster:				
Title VI-B	SE 23.NSSD.01	84.027	836,280	717,499
COVID-19 - Section 619 ARP	SE 23.NSSD.01	84.173X	14,531	13,329
Section 619	SE 23.NSSD.01	84.173	13,449	13,449
COVID-19 - Title VI-B ARP	SE 23.NSSD.01	84.173X	149,019	128,892
Total Special Education Cluster			<u>1,013,279</u>	<u>873,169</u>
Carl Perkins Vocational Education	EK 23.NSSD.01	84.048A	66,111	66,111
Title IV-A Student Support and Academic Enrichment	IP 23.NSSD.01	84.424	43,497	31,388
Title III-A English Language Acquisition	IP 23.NSSD.01	84.365A	27,375	27,375
Title II-A Supporting Effective and Recruitment	IP 23.NSSD.01	84.367	72,418	72,418
Title II-A Supporting Effective and Recruitment	IP 23.NSSD.01	84.367A	156,435	90,896
Staff Development	S367A210003	84.367A	6,000	4,528
Total ALN 84.367			<u>234,853</u>	<u>167,842</u>
ELA Core Literacy	CL 23.NSSD.01	84.425U	249,245	223,129
Positive Behavioral Intervention Strategies	PB 23.NSSD.01	84.425D	132,411	85,892
COVID-19 GEER I	ER 23.NSSD.01	84.425C	11,459	11,459
COVID-19 ESSER II	ER 23.NSSD.01	84.425D	1,224,995	1,224,995
COVID-19 ESSER III	ER 23.NSSD.01	84.425U	3,259,051	350,218
Total ALN 84.425			<u>4,877,161</u>	<u>1,895,693</u>
Total passed through State of Alaska, Department of Education and Early Development			<u>7,163,994</u>	<u>3,615,488</u>
Total Department of Education			<u>8,979,646</u>	<u>5,052,084</u>

(continued)

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of Expenditures of Federal Awards, Continued

<u>Grant Title</u>	<u>Grant Number</u>	<u>Assistance Listing Number</u>	<u>Total Grant Award</u>	<u>Federal Share of Expenditures</u>
U.S. Department of Agriculture:				
Passed through the State of Alaska				
Department of Education and Early Development:				
Child Nutrition Cluster:				
National School Breakfast Program	None	10.553	\$ 162,261	162,261
National School Lunch Program	None	10.555	475,608	475,608
Supply Chain Assistance	FD 23.NSSD.01	10.555	74,796	74,796
USDA Commodities	None	10.555	9,853	9,853
Fresh Fruit and Vegetable Program	FF 23.NSSD.01	10.582	11,400	11,400
Fresh Fruit and Vegetable Program	FF 23.NSSD.02	10.582	69,160	33,344
Total child nutrition cluster			<u>803,078</u>	<u>767,262</u>
Equipment Assistance Grant	NS 23.NSSD.01	10.579	4,478	3,402
Department of Natural Resources:				
Micro Grant for Food Security	AM200100XXXXG131	10.179	6,444	6,238
Total passed through the State of Alaska			<u>814,000</u>	<u>776,902</u>
Direct:				
RUS Distance Learning and Telemedicine	AK 740-C16	10.855	999,500	998,950
Total Department of Agriculture			<u>1,813,500</u>	<u>1,775,852</u>
U.S. Department of Health and Human Services				
Passed through the State of Alaska				
Department of Education and Early Development:				
COVID School-Based Testing	CT 23.NSSD.01	93.323	118,103	82,482
U.S. Department of the Interior:				
Direct:				
Johnson O'Malley	A21AV00530	15.130	88,067	49,202
Johnson O'Malley	A22AV00419	15.130	25,215	25,215
Total Direct and ALN 15.130			<u>113,282</u>	<u>74,417</u>
Total federal financial assistance			<u>\$ 11,024,531</u>	<u>6,984,835</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of North Slope Borough School District under programs of the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of North Slope Borough School District, it is not intended to and does not present the basic financial statements of North Slope Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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. The District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform guidance.

Note 3. Non-monetary Assistance

Non-monetary assistance is reported in the schedule at fair market value of commodities received and disbursed. For the year ended June 30, 2023, the District received \$9,853 in USDA commodities.

Note 3. Passed Through Awards

No Amounts were passed through to subrecipients.

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Schedule of State Financial Assistance

Year Ended June 30, 2023

<u>Grant Title</u>	<u>Grant Number</u>	<u>Grant Award</u>	<u>Eligible Expenditures</u>
State of Alaska, Department of Education and Early Development:			
* Foundation	None	\$ 18,128,297	18,128,297
Quality Schools	None	94,092	94,300
PFD Dividend Raffle	None	9,939	9,939
Suicide Prevention	SP 23.NSSD.01	30,000	21,724
Substance Misuse and Addiction Prevention	AP 23.NSSD.01	8,900	3,961
Student Transportation	None	2,301,810	2,301,810
Broadband Assistance Grant	None	322,128	322,128
Alternative School Kiita	BH 23 NSSD 01	26,000	25,272
Staff Development	None	800	800
Rural Student Services Practice	RS23NSSD01	3,750	3,750
* HB 281	None	1,297,012	1,297,012
Total Department of Education and Early Development		<u>22,222,728</u>	<u>22,208,993</u>
Total state financial assistance		<u>\$ 22,222,728</u>	<u>22,208,993</u>

See accompanying notes to the Schedule of Financial Assistance

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Notes to Schedule of State Financial Assistance

Year Ended June 30, 2023

Note 1. Basis of Presentation

The accompanying schedule of state financial assistance (the "Schedule") includes the state award activity of North Slope Borough School District under programs of the State of Alaska for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*. Because the Schedule presents only a selected portion of the operations of North Slope Borough School District, it is not intended to and does not present the basic financial statements of North Slope Borough School District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting, which is described in Note 1 to the District's basic financial statements.

Note 3. Subrecipients

No state funds were passed through to subrecipients.

Note 4. Major Programs

* denotes a major program for compliance audit purposes.

Note 5. Reconciliation of State Expenditures to the Financial Statements

The following programs are reported as Intergovernmental-State of Alaska revenues, however are not subject to compliance in accordance with the *State of Alaska Audit Guide and Compliance Supplement for State Single Audits*:

Total State Financial Assistance	\$ 22,208,993
PERS On-Behalf	358,827
TRS On-Behalf	<u>1,636,874</u>
Total State Revenues	<u>\$ 24,204,694</u>

COMPLIANCE REPORTS

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

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of North Slope Borough School District, a component unit of the North Slope Borough, Alaska, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise North Slope Borough School District's basic financial statements, and have issued our report thereon dated September 21, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Slope Borough School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control. Accordingly, we do not express an opinion on the effectiveness of North Slope Borough School District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Slope Borough School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Purpose of this Report

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

Altman, Rogers & Co.

Anchorage, Alaska
September 21, 2023

**Report on Compliance For Each Major Program and on Internal Control Over Compliance
Required by the *Uniform Guidance***

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited North Slope Borough School District'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 North Slope Borough School District's major federal programs for the year ended June 30, 2023. North Slope Borough School District's major federal programs are identified in the summary of auditor's results section of the accompanying federal schedule of findings and questioned costs.

In our opinion, North Slope Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

We are required to be independent of North Slope Borough School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of North Slope Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to North Slope Borough School District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on North Slope Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about North Slope Borough School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding North Slope Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Slope Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Altman, Rogers & Co.

Anchorage, Alaska
September 21, 2023

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements were prepared in accordance with GAAP:

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report?

___ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None Reported

Noncompliance material to financial statements noted?

___ Yes X No

Federal Awards

Internal control over major federal programs (2 CFR 200.516 (a)(1)):

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None Reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

___ Yes X No

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance, 2 CFR 200.516 (a)(3) or (4)?

___ Yes X No

Identification of major programs:

Assistance Listing Number(s)

10.555/10.553/10.582
10.855
84.027/84.173
84.425

Name of Federal Program or Cluster

Child Nutrition Cluster
RUS Distance Learning and Telemedicine
Special Education Cluster
Education Stabilization Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

___ Yes X No

NORTH SLOPE BOROUGH SCHOOL DISTRICT

Federal Schedule of Findings and Questioned Costs, Continued

Section II - Financial Statement Findings

The North Slope Borough School District did not have any findings related to the financial statements.

Section III - Federal Award Findings and Questioned Costs

The North Slope Borough School District did not have any findings related to federal awards.

Report on Compliance For Each Major State Program and Report on Internal Control Over Compliance Required by the State of Alaska Audit Guide and Compliance Supplement for State Single Audits

Independent Auditor's Report

Members of the School Board
North Slope Borough School District
Utqiagvik, Alaska

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited North Slope Borough School District's compliance with the types of compliance requirements identified as subject to audit in the State of Alaska Audit Guide and Compliance Supplements that could have a direct and material effect on each of North Slope Borough School District's major state programs for the year ended June 30, 2023. North Slope Borough School District's major state programs are identified on the Schedule of State Financial Assistance.

In our opinion, North Slope Borough School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2023.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards); and the audit requirements in the State of Alaska Audit Guide. Our responsibilities under those standards and the State of Alaska Audit Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of North Slope Borough School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of North Slope Borough School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to North Slope Borough School District's state 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 North Slope Borough School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, Government Auditing Standards, and State of Alaska Audit Guide requirements 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 North Slope Borough School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the State of Alaska Audit Guide, 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 North Slope Borough School District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of North Slope Borough School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the State of Alaska requirements, but not for the purpose of expressing an opinion on the effectiveness of North Slope Borough School District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state 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 state 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 State of Alaska. Accordingly, this report is not suitable for any other purpose.



Anchorage, Alaska
September 21, 2023

NORTH SLOPE BOROUGH SCHOOL DISTRICT

State Schedule of Findings and Questioned Costs

Year Ended June 30, 2023

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:

Unmodified

Internal control over financial reporting:

Material weakness identified?

Yes No

Significant deficiency identified?

Yes None reported

Noncompliance material to the financial statements noted?

Yes No

State Financial Assistance

Internal control over major programs:

Material weakness identified?

Yes No

Significant deficiency identified?

Yes None reported

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

Unmodified

Dollar threshold used to distinguish between
Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

Yes No

Section II – Financial Statement Findings

North Slope Borough School District did not have any findings that related to the financial statements.

Section III – State Award Findings and Questioned Costs

North Slope Borough School District did not have any findings related to State awards.



NORTH SLOPE BOROUGH SCHOOL DISTRICT

829 Aivik St, Utqiagvik, AK 99723

Status of Prior Year Findings

Year Ended June 30, 2023

Federal Award Findings and Questioned Costs

Finding 2022-001

Lack of Internal Controls over Reporting

Federal Agency:	U.S. Department of Agriculture (passed through the State of Alaska)
Federal Program:	Child Nutrition Cluster
Assistance Listing Number:	10.553/10.555/10.582
Award Year:	2022
Type of Finding	Material weakness in internal control over compliance.

Condition	Controls were not designated and implemented appropriately to ensure the accuracy of meal counts not to support eligibility of meals served prior to the submission of the monthly Claim for Reimbursement.
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Status:	Resolved.
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