

**NOTICE OF REGULAR BOARD MEETING
KINGMAN UNIFIED SCHOOL DISTRICT #20 GOVERNING BOARD**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Governing Board of Kingman Unified School District #20 and to the general public that the Governing Board of Kingman Unified School District #20 will hold a meeting open to the public at **4:30 PM, Tuesday, February 10, 2026**. The meeting will be held in the **Kingman Unified School District Office, 3033 MacDonald Avenue, Kingman, AZ 86401**. Agenda is subject to revision 24 hours prior to meeting. A copy of the agenda background material provided to KUSD Board members (with exception of material relating to possible executive sessions) is available for public inspection 24 hours before the meeting at our district office, 3033 MacDonald Avenue, Kingman, AZ. When necessary, the Board may vote to go into Executive Session, which will not be open to the public, for discussion and consultation for legal advice regarding any of the agenda items (A.R.S. § 38-431.03 (A)(3)), to discuss personnel matters (A.R.S. § 38-431.03 (A)(1)), records exempt by law from public inspection (A.R.S. § 38-431.03 (A)(2)), or for legal advice and consultation regarding pending or contemplated litigation (A.R.S. § 38-431.03 (A)(4)). The agenda for the meeting, posted on February 5, 2026, is as follows.

Agenda of the Governing Board; Dr. Gretchen Dorner, Superintendent

Members of the Kingman School District Governing Board will attend in person, by telephone, video or internet conferencing. Agenda is subject to revision 24 hours prior to meeting.

To watch the School Board meeting via computer or a smartphone with a data plan:

<https://www.youtube.com/c/KUSD20>

Regular Board Meeting

Tuesday, February 10, 2026

4:30 PM

Kingman Unified School District Office, 3033 MacDonald Avenue, Kingman, AZ 86401

1. Call to Order
Agenda Item Type: Procedural
2. Pledge of Allegiance
Agenda Item Type: Procedural
3. Roll Call
Agenda Item Type: Procedural
4. Call to the Audience (The Board will listen to any comment from the public but will not respond except as permitted by A.R.S. § 38-431.01 (G). The Board may refer the item to the administration or request to have it placed on a future agenda.)
Agenda Item Type: Procedural
5. Reports:

Superintendent: LWHS Band Presentation

Board Reports:
Agenda Item Type: Informational
6. Consent Agenda
Approval of Routine Orders of Business. Documentation concerning the matters on the Consent Agenda may be reviewed at the Kingman Unified District Office, 3033 MacDonald Ave. Any Board member may request an item be pulled off the agenda for further discussion.
Agenda Item Type: Discussion/Action
 - A. Approve Minutes:
January 13, 2026 - Regular Board Meeting

January 13, 2026 - Board Academic Workshop

- B. Approve Vouchers:
 - 1. Payroll Vouchers: 2034-2038
 - 2. KUSD Vouchers: 30, 32-33, 1028-1029, 1031-1033
 - C. Approve Personnel Hire Ratification List:
 - D. Approve Personnel Term/Leave Ratification List:
 - E. Approve or ratify the requests for employee contract/work agreement adjustments for changes in position
 - F. Approve January 2026 Financials
 - G. Approve School Fundraisers
 - H. Approve out-of-state travel for CTE Coordinator, Lindsay Wolsey, to attend the Region V Conference in Salt Lake City, Utah from April 8-11, 2026
7. First reading of changes in policy as recommended by ASBA:
- Policy Advisory No. 960.....Policy DIE — Audits/Financial Monitoring
Regulation DIE-R — Audits/Financial Monitoring
- Agenda Item Type:** Discussion Only
- 8. Possible action to approve KUSD school zone map for the FY27 school year
Agenda Item Type: Discussion/Action
Dr. Gretchen Dorner
 - 9. Possible action to approve three-year academic calendars and staff calendar for 2026-27 school year
Agenda Item Type: Discussion/Action
Dr. Gretchen Dorner
 - 10. Possible action to approve update to KOLA Mission Statement
Agenda Item Type: Discussion/Action
Liz Albin
 - 11. Possible action to approve the IGA between KUSD and Arizona Board of Regents to accept funding for Kingman High School's 50 By Fall Project achievement
Agenda Item Type: Discussion/Action
Margot Jones
 - 12. Possible action to approve Affiliation Agreement with NAU for Student Placement
Agenda Item Type: Discussion/Action
Margot Jones
 - 13. Possible action to accept all FY25 audits and compliance questionnaires by roll call vote
Agenda Item Type: Discussion/Action
Margot Jones
 - 14. Approve Listed Donations:
Agenda Item Type: Discussion/Action
 - 15. Possible action to approve the language of employment contracts and at-will notices for the 2026-2027 school year
Agenda Item Type: Discussion/Action
 - 16. Possible motion to move into Executive Session per A.R.S. §38-431.03(A)(1) to discuss request to be released from employment contract by Cindy Jung
Agenda Item Type: Discussion/Action
 - 17. Possible motion to reconvene into Regular Session for any actions resulting from Executive Session
Agenda Item Type: Discussion/Action
 - 18. Possible action on a request by Cindy Jung, Art Teacher, to be released from her FY 2025-26 employment contract, effective February 26, 2026
Agenda Item Type: Discussion/Action

19. Motion to move into Executive Session to discuss the Superintendent's evaluation pursuant to A.R.S. § 38- 431.03(A)(1), for discussion regarding the performance evaluation and contract of the Superintendent
Agenda Item Type: Discussion/Action
20. Motion to reconvene into Regular Session for any action resulting from Executive Session
Agenda Item Type: Discussion/Action
21. Board Comments
Agenda Item Type: Discussion Only
22. Adjourn
Agenda Item Type: Action

Pursuant to the Americans with Disabilities Act (ADA), Kingman Unified School District #20 endeavors to ensure the accessibility of all its programs, facilities and services to all persons with disabilities. If you need an accommodation for this meeting, please contact the Kingman Unified School District Office at (928) 753-5678 or email vportillo@kUSD.org.

Requests should be made as early as possible to allow time to arrange accommodation.

C. Approve Personnel Hire Ratification List:

LAST NAME	FIRST NAME	SITE	POSITION	DATE
Aguirre	Elizabeth	Little Explorers	Paraeducator IV/V	01/05/2026
Allen	Tobias	Transportation	Bus Driver	01/14/2026
Brand	Ariana	Little Explorers	Paraeducator IV/V	01/20/2026
Ericsson	Grace	Cerbat	Paraeducator I	01/20/2026
Gonzalez	Melissa	District Office	Substitute Teacher	01/26/2026
Hall	Kinzee	District Office	Specialist	01/20/2026
Kennedy	Marcella	Transportation	Bus Driver	01/27/2026
Martin	Hailey	District Office	SLPA	01/12/2026
McGlynn	Kelli	Transportation	Bus Monitor	01/20/2026
Ravenburg	Kendra	Desert Willow	Teacher	01/26/2026
Sanchez	Lilyana	District Office	Substitute Teacher	01/06/2026
Smith	Jennifer	White Cliffs Middle School	Paraeducator II	01/27/2026
Thatcher	Amanda	District Office	Substitute Nurse	01/20/2026
Tipton	Kelly	Transportation	Bus Monitor	01/06/2026
Warren	Kathy	District Office	Substitute Teacher	02/02/2026

D. Approve Personnel Term/Leave Ratification List:

LAST NAME	FIRST NAME	SITE	POSITION	DATE
Colvin	Mitchell	Kingman High School	Paraeducator IV/V	01/15/2026
Dedmon	Caitlyn	Cerbat	Paraeducator I	01/15/2026
Hammons	Susan	Little Explorers	CDC Caregiver	01/23/2026
Kirchner	Madison	Little Explorers	CDC Caregiver	01/23/2026
Meyering	Brittany	Hualapai	Health Aide	02/12/2026
Peters	Karen	Transportation	Bus Driver	01/22/2026
Sligar	Whitney	District Office	Nurse	02/19/2026
Solorzano	Rosa	Mt. Tipton	Health Aide	01/15/2026
Todd	Harmony	Little Explorers	Paraeducator IV/V	02/05/2026

E. Approve or ratify the requests for employee contract/work agreement adjustments for changes in position:

LAST NAME	FIRST NAME	SITE FROM	POSITION FROM	SITE TO	POSITION TO	DATE
Drew	Patricia	Little Explorers	SPED Teacher	Cerbat	Teacher	01/26/2026

School Fundraisers

School Name: Hualapai Elementary

For Board Agenda Month:

February

Group Name

*NO acronyms only-
Spell Out name of group!*

Fundraiser Type:

Date(s)
of Fundraiser

Location
of Fundraiser

Purpose of fundraiser

Drama

Ocean Novelties
'Play'

3/23 - 4/9 / 2026

Hualapai

Reland Funds



Fundraiser Request

School Name: Hualapai Elementary

Club Name: Drama

Name of Fundraiser: Ocean Novelties

Site of Fundraiser: Hualapai

Dates to be Held: March 23 - April 9th

Purpose: Reload funds for future

Description of Fundraiser (please be specific):

- sell small items - lights, bubbles, pop it, goldfish crackers, Swedish fish for \$1.00 each at the show & days leading up to it - to take place of previously approved headband fundraiser
- Request \$10.00 donation to jump line line for preferred seat & snack on play day

Club Sponsor Signature Kelsy Plautny

Administrator: Approved / Denied Date 1/27/2026

Administrator Signature Jennifer Rose

Student Council: Approved / Denied Date 1.27.2026

Student Council Signature W. Ari Evelyn 2/3/26

KUSD Board Approved / Denied _____ Date _____

Minutes

Day Tuesday Month February Date 2 Year 2026

The meeting was called to order by Evie time 2:52

Attendance was taken by Vanessa members were absent.

The minutes from the meeting of _____ were read and approved.

Our current balance is \$ 2142.53

Correspondence from Drama Club was read.

Unfinished business from the last meeting: _____

New Business:

Motion was made to: Approve Drama Club
Ocean novelties fundraiser

by Liam seconded by: Haven Passed: ✓

Motion was made to: Purchase re stock for
Student store

by alena seconded by: jeffery Passed: ✓

Motion was made to: Purchase teacher appreciation
snacks/drinks/gifts

by Donald seconded by: davit Passed: ✓

4.
Motion was made to: Purchase testing treats

by Haven seconded by: larrelia Passed: _____

Motion was made to: _____

by _____ seconded by: _____ Passed: _____

Motion was made to: _____

by _____ seconded by: _____ Passed: _____

Motion was made to: _____

by _____ seconded by: _____ Passed: _____

Motion to adjourn the meeting at 3:28 was made by

Ernie
Seconded by: Logan

Notes/Comments:

These notes were taken by Mrs. Morris

Secretary's signature Emily M.

Advisor's signature [Signature]

2/3

Campos	Go Home	Plauity	Go Home
Dariah Farney	p/u	Logan Odle (Tres)	p/u
Cundari		Gideon Wisden	bus calumel/diamond
McClung	p/u	Emily Madero (Sec)	bus/pick up
Isabella	p/u	McLaughlin	
Nielson	p/u	Evelynn England (Pres)	p/u
Brylee Martin Ray	p/u	Donald Shed (T runner up)	p/u
Andrew Novak	p/u	Taylor Glenn	p/u
Davis	p/u	Morris	
Reagan Ruff	p/u	Josiah Anim	p/u
Teddie Grigg	p/u	Aubrey Brewer	bus/Diamond Spurt+Gemstone
Garrison	p/u	Hayven Holtry (P ru)	p/u
McKinley Bolin	p/u	Wills	
Jennifer Benson	p/u	Lorelai Harrimontree	walker
David Daggs	p/u	Elena Collins (S Runner up)	p/u
Johnson	p/u	Young	
Austin Fitch	walker	Olivia Rice	Bus Heather and Lyons
Liam Pottenburgh	walker room 13	Andrew Bustillos	walker
Eryx Kanzler	p/u		
King	p/u		
Adalberto Espinoza	bus calumel/diamond		
Analaya Boyd	bus calumel/diamond		
Padilla	p/u		
Rosalie Borrero	p/u		
Grant Edwards (vp ru)	p/u		
Jeff Force	p/u		
Sharp	p/u mom or stepdad		
Logan Griffin	walker		
Parker Pyles	p/u		
Vanessa Kogaines (VP)			

✓

School Fundraisers

School Name: Kingman High School

For Board Agenda Month: February 2026

Group Name <i>NO acronyms only- Spell Out name of group!</i>	Fundraiser Type:	Date(s) of Fundraiser	Location of Fundraiser	Purpose of fundraiser
Future Business Leaders of America	Coffee & Chocolate Sales	Feb. 11, 2026 – May 2026	KHS	Raise funds for National Conference
French Club	Hot Cocoa & Croissant Sales	Feb. 16, 2026 – May 2026	KHS	Raise funds for club
Baseball	Victory Fundraising	2/17/26 – 3/2/26	Kingman	Raise money for equipment and uniform expenses
Key Club	Valentine’s Day Flower and Candy Sales	Feb. 11-12, 2026	KHS	Raise Funds for District Convention
Key Club	Cold Brew “Iced Coffee” sales	March 4-5, 2026	KHS	Raise Funds for District Convention
Softball	Victory Fundraising	Feb. 17 – March 5, 2026	Kingman	Raise money for tournaments and equipment
Dungeons and Dragons	Movie Night	Feb. 14, 21, & 28, 2026	KHS	Watch Valentine/ Heartfelt movies
Band	CTE BBQ, Car Show	March 28, 2026	KHS	Raise money for club and perform for spectators
Band	Requesting Donations	Feb. 11 – July 30, 2026	Kingman	Seeking donations for the club
Band	Requesting Donations	April 10, 2026	Floyd’s BBQ	Seeking donations for club
Student Council	Double Good Popcorn	April 1-30, 2026	Kingman	Raise fund for trips and activities

School Fundraisers

School Name: Kingman Middle School

For Board Agenda Month: February 2026

Group Name
*NO acronyms only-
Spell Out name of group!*

Fundraiser Type:

Date(s)
of Fundraiser

Location
of Fundraiser

Purpose of fundraiser

Kingman Unified Special Olympics	Butter Braids	02/17-03/17, 2026	KMS	To sell braids to make money for competitions
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Kingman Unified Special Olympics	Walk	3/27/2026	Lee Williams High School	Raise money for bussing
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School Fundraisers

School Name: Lee Williams High School

For Board Agenda Month: February 2026

Group Name <i>NO acronyms only- Spell Out name of group!</i>	Fundraiser Type:	Date(s) of Fundraiser	Location of Fundraiser	Purpose of fundraiser
Girls Golf Club	Golf Tournament	April 2026 May 2026	Cerbat Cliffs Golf Course	Raise money for Girls golf club/team
Boys Volleyball Club	Victory Fundraising	February 26- March 7, 2026	Online	Raise funds for miscellaneous equipment and to fund tournaments/travel
S Club	Half Court shot	2/26-3/26	LWHS Main Gym	To raise money for Mr. & Miss Volunteer
LWHS Aux	Badges of Courage Basketball game	02/26/26	LWHS Main Gym	To raise money for the LWHS Scholarship
LWHS Wrestling	Youth wrestling tournaments	04/2026 - 05/2026	LWHS Main Gym	To raise money for the 26-27 Wrestling season



ACTE REGION V CONFERENCE



Day	Activities and
Wednesday, April 8 th	<p><i>Registration open from noon until 6pm.</i></p> <ul style="list-style-type: none"> • 8am-Noon: Region V Policy Committee Meeting • 1-4pm: Leadership 101 • 4-6pm: Committee Meetings • 6pm: Taste of Utah - Culinary Adventure
Thursday, April 9 th	<p><i>Registration open from 7:30am-10:30am</i> <i>Vendor Show from 4-8pm</i></p> <ul style="list-style-type: none"> • 8-9am: Breakfast • 9-10:30am: Opening Session • 10:45-3:30pm: Tours and Lunch • 3:30-4:30pm: Region V Business Meeting • 4:30-5:30pm: Breakout Sessions • 6pm- Dinner and Hall of Fame Awards
Friday, April 10 th	<p><i>Registration open from 7:30am-noon.</i> <i>Vendor Show from 8am-4:30pm</i></p> <ul style="list-style-type: none"> • 8-9am: Breakfast and Innovative Program Awards • 9:15am-5:15pm: Breakout Sessions, Drink Breaks, and Lunch • 3:30-4:30pm: Region V Business Meeting • 4:30-5:30pm: Breakout Sessions • 5:30pm - Explore the city on your own
Saturday, April 11 th	<ul style="list-style-type: none"> • 8:30-10am: Breakfast and Awards Celebration • 10:15-11:30: I Have a Great Ideas (Session) • Noon: Check Out & End

APRIL 8-11, 2026
SALT LAKE CITY, UTAH

regionv2026.com



POLICY SERVICES

ADVISORY

Volume 38, Number 1

January 2026

Policy Advisory No. 960..... Policy DIE — Audits/Financial Monitoring
Regulation DIE-R — Audits/Financial Monitoring

POLICY ADVISORY DISCUSSION

Policy Advisory No. 960

**Policy DIE – Audits/Financial Monitoring
Regulation DIE-R – Audits/Financial Monitoring**

Policy DIE removes the “June 2016” reference to the Office of Management and Budget (OMB) Compliance Supplement to ensure the policy points to the current version used for audit and compliance purposes. Regulation DIE-R was updated to align the District’s audit and financial monitoring terms with current federal and state requirements. The most significant change reflects the Office of Management and Budget’s revisions to Uniform Guidance, which increased the Single Audit threshold from \$750,000 to \$1,000,000 in federal grants expended during a fiscal year (2 C.F.R. 200.501). This updated threshold applies beginning with FY 2026 audits, as noted in the regulation.



If you have any questions, please call Policy Services at (602) 254-1100. Ask for Dr. Charlotte Patterson, Policy Analyst; Lynne Bondi, Policy Analyst; or Renae Watson, Policy Technician. Our e-mail addresses are, respectively, [cpatterson@azsba.org], [lbondi@azsba.org] and [rwatson@azsba.org].

Note: This material is written for informational purposes only, and not as legal advice. You may wish to review the policy references and consult an attorney for further explanation.

**DIE ©
AUDITS / FINANCIAL MONITORING**

The Governing Board directs the Superintendent to implement procedures that assure District compliance with all state and federal requirements for audits and financial monitoring. Contingent upon prescribed qualifying criteria, such requirements may include, but are not limited to, procedural reviews by the Office of the Arizona Auditor General and the federal Single Audit Act Amendments and the current U.S. Office of Management and Budget (OMB) Compliance Supplement June 2016.

Necessary Services

The procurement of the necessary services shall be consistent with the District's policy on bidding and purchasing procedures. Any allocation of costs for the services shall conform to the requirements of the Uniform System of Financial Records (USFR).

Board Presentation

A final report of each separate fiscal management review shall be presented to the Board for examination and discussion. After a report has been presented to the Board, it will become a matter of public record, and its distribution will not be limited. Copies of a final report shall be filed with appropriate state and other authorities.

The Governing Board shall publicly accept all audits and compliance questionnaires by roll call vote.

Posting

The District shall prominently post on its website home page a copy of its profile pages that displays the percentage of every dollar spent in the classroom by that school district from the most recent status report issued by the Auditor General.

Adopted: _____

LEGAL REF.:

A.R.S.
15-213
15-239
15-914
15-2111

Note: This material is written for informational purposes only, and not as legal advice. You may wish to consult an attorney for further explanation.

41-1279.03

41-1279.04

41-1279.05

41-1279.07

41-1279.21

41-1279.22

A.A.C.

R7-2-902

USFR - Audit Requirements

2 CFR Part 200 Appendix XI, Compliance Supplement

CROSS REF.:

DB - Annual Budget: Schedule, Preparation/Planning, Format,
and Posting/Submission

DIE-R ©

REGULATION

AUDITS / FINANCIAL MONITORING

Each program, instructional unit, and department shall prepare and maintain such financial records as are directed by the Superintendent. The documents shall be accurate and of essential sufficiency to enable the District to comply with all requirements for financial monitoring and audits, both internal and external.

Requirements for Proper Management

In addition to special reviews that may be conducted as necessary, the District will comply with the following minimum requirements to demonstrate proper management of and accountability for its fiscal resources:

A. ~~Whenever the District's~~ expends less than one million dollars (\$1,000,000) in expenditure of federal grants in a fiscal year (starting with Fiscal Year 2026 audits; financial assistance is less than seven hundred fifty thousand dollars [\$7500,000] for earlier during a fiscal years), the District shall be subject to a procedural review conducted by the Office of the Auditor General at times determined by the Auditor General, subject to the following provisions:

1. Districts that have adopted a Maintenance and Operations Fund (M&O) budget of two million dollars (\$2,000,000) or more shall contract with an independent certified public accountant to conduct an annual financial statement audit in accordance with United States (U.S.) generally accepted governmental auditing standards, Government Auditing Standards issued by the U.S. Comptroller General, and Uniform Guidance (2 CFR Part 200, Subpart F), as applicable.
2. Districts that have adopted a Maintenance and Operations Fund (M&O) budget between seven hundred thousand dollars (\$700,000) and two million dollars (\$2,000,000) shall contract with an independent certified public accountant to conduct a biennial financial statement audit in accordance with United States (U.S.) generally accepted governmental auditing standards, Government Auditing Standards issued by the U.S. Comptroller General, and Uniform Guidance (2 CFR Part 200, Subpart F), as applicable.

Note: This material is written for informational purposes only, and not as legal advice. You may wish to consult an attorney for further explanation.

B. Whenever the District's expends one million dollars (\$1,000,000) or more in combined expenditure from all sources of federal financial assistance is grants in a fiscal year (starting with Fiscal Year 2026 audits; previously seven hundred and fifty thousand dollars [\$750,000]) or more during a fiscal year, the District shall contract with an ~~approved~~ independent auditor certified public accountant to conduct an annual financial and compliance (Single) audit. The audit shall be performed in accordance with generally accepted auditing standards, Government Auditing Standards issued by the U.S. Comptroller General, and Uniform Guidance (2 CFR Part 200, Subpart F), as applicable in compliance with the requirements of the federal Single Audit Act Amendments of 2003 and any implementing regulations of the Office of Management and Budget (OMB).

To the extent permitted by federal law, the District:

- A. may convert to a biennial audit schedule when the previous annual audit contained no significant negative findings, defined as the District having received a letter of noncompliance issued by the ~~a~~Auditor ~~g~~General;
- B. shall convert back to an annual audit whenever an audit produces significant negative findings;
- C. may convert back to a biennial audit schedule when the two (2) previous audits have not contained any significant negative findings.

The Superintendent shall be promptly informed of any material deficiency that is discovered during a monitoring or auditing process.

Memorandum

To: KUSD Governing Board

From: Dr. Gretchen Dorner

Re: Recommendation for FY27 School Boundaries

For Agenda

- Possible action to approve KUSD school zone map for the FY27 school year.

For Packet

As we continue to strive for excellence in Kingman Unified School District, it is essential that we periodically review and adjust our strategies to meet the needs of our community and student population. Today, I write to inform you about an important initiative to rezone some of our school boundaries and programs.

Over the past few years, our neighborhoods have experienced demographic shifts, leading to an imbalance in our school populations. Some schools are operating over capacity, while others have available resources that are not fully utilized. Our goal is to ensure that all students have access to optimal learning environments, with equitable resources and opportunities.

Rezoning school boundaries is a crucial step in addressing these disparities. By realigning the boundaries, we can better balance student populations across our schools, ensuring that each school can serve its students effectively and efficiently.

We understand that changes in school boundaries can have significant impacts on families and communities. Therefore, we are committed to a transparent and inclusive process that values your input and feedback. The rezoning letter was posted on our website and social media pages. All KUSD families received a letter and invitation to participate in a Rezoning Workshop, where the proposed changes were shared.

During the rezoning workshop, the zoning committee was present, maps were available for review, and data was presented on current neighborhood numbers and proposed boundary changes. Also reviewed was KUSD Open Enrollment Policy JFB, specifically highlighting our goal to help current students remain in their school pending a capacity analysis. The public was also provided an opportunity to share comments and concerns. Several attendees asked for assistance in finding their boundary and about the open enrollment policy. One attendee asked about KAOL traffic control. (We had approximately 50 people present in the workshop and another 30 watching the live stream.)

Proposed Boundary Changes

Grade Level	Neighborhood Zone	Current School	July 2026 School
Elementary	Downtown between El Trovador Hill & Coyote Pass	Desert Willow	Hualapai
Elementary	North of I-40, Vista Bella & Kingman Crossing	Hualapai	Desert Willow

Memorandum

Elementary	North of I-40, Heathers	Hualapai	Desert Willow
Elementary	Between Gordon & Sierra	Manzanita	Cerbat
Elementary	South of Sycamore (behind KRMC) & Clacks Canyon	Desert Willow	Manzanita
Elementary	South of Pasadena (behind post office only)	Desert Willow	Manzanita
Middle School	North of I-40, Vista Bella & Kingman Crossing	KMS	White Cliffs Middle
Middle School	North of I-40, Heathers	KMS	White Cliffs Middle
*High School	White Cliffs Middle school feeds Lee Williams High School		
*High School	Kingman Middle School feeds Kingman High School		

Number of students zoned by school site for the 2026-2027 school year.

Elementary		Middle School		High School	
Black Mountain	253	Black Mountain	248	Lee Williams	871
Hualapai	717	White Cliffs	487		
Desert Willow	342	Mt Tipton TBD			
Mt Tipton	146				
Cerbat	700	Kingman Middle School	732	Kingman High School	923
Manzanita	677				

Memorandum

To: KUSD Governing Board

From: Shelley Oestmann, Assistant Superintendent

RE: Approve academic and staff calendars

FOR AGENDA

- Possible action to approve three-year academic calendars and staff calendar for 2026-27 school year

FOR PACKET

Calendar Committee Survey Results

Survey Participation

- **Total employees invited to participate:** 800
- **Total responses received:** 464
- **Participation rate:** 58%
- A **majority of respondents (71.9%)** indicated a preference for one of the two proposed calendar options, reflecting support for a later start date despite changes to intersessions.
- A **significant portion of staff (28.0%)** expressed a preference to remain on the current calendar, frequently citing the value of two-week intersessions for rest, recovery, travel, and burnout prevention.

Both proposed calendar options include the following shared elements:

- A two-week delayed start compared to the current calendar
- One-week fall and spring intersessions (reduced from two weeks)
- Teachers returning on July 22
- Continued four-day student week with Fridays off

Under the current calendar, teachers return on July 8, and fall and spring intersessions remain two weeks in length.

While **Option 2 received the highest number of responses**, the results show that preferences were **closely divided**, with substantial support for all three choices.

Common Themes in Staff Feedback

Review of written comments revealed several recurring themes:

- **Intersessions and staff well-being:** Many staff emphasized that two-week intersessions support mental health, retention, and long-term sustainability.
- **Later start date benefits:** Supporters of Options 1 and 2 frequently referenced additional summer preparation time, relocation flexibility for new hires, and improved instructional momentum.
- **Instructional and family considerations:** Staff noted impacts on childcare, family schedules, medical appointments, and previously planned commitments.
- **Transition concerns:** Some respondents expressed concern about the pace of change and suggested that clear communication and advance notice are critical if calendar changes are adopted.
- **Professional planning time:** Requests were made for additional teacher preparation time, particularly following extended breaks; however, these requests are limited by current contractual and budgetary constraints.

Recommendation

While Option 2 received the highest level of staff support, survey feedback indicates that some respondents would have selected Option 1 if it included the traditional two minimum attendance days in February for Parent/Teacher Conferences.

Based on this feedback, the administration has added an additional minimum attendance day in February to the proposed calendar. This adjustment preserves the overall structure of the recommended calendar while addressing a key concern raised by staff.

Kingman Unified School District #20

2026-2027 CALENDAR

July

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
Student Days			2	Teacher Days		6

August

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					
Student Days			17	Teacher Days		17

September

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
Student Days			17	Teacher Days		17

October

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Student Days			13	Teacher Days		13

November

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
Student Days			12	Teacher Days		12

December

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
Student Days			11	Teacher Days		11

January

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						
Student Days			15	Teacher Days		15

February

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28						
Student Days			15	Teacher Days		15

March

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
Student Days			14	Teacher Days		14

April

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
Student Days			17	Teacher Days		17

May

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					
Student Days			11	Teacher Days		11

June

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			
Student Days			0	Teacher Days		0

- Paid Holiday
- First day of Science Assessment

- Additional Pd Holiday (12 month)
- First day of AASA Assessment

- Non-work days
- New Teacher Academy (Stipend)

- Minimum Attendance

Jul 2	July 4th Holiday observed
Jul 20	First day for new teachers, IC, TOA, SLP, MS/HS Counselors, 10 & 11 Mo Class.
Jul 22	First day for returning teachers, Elem Counselors
Jul 27	First day for Classified staff
Jul 29	First day for students
Week of: Aug 31	Progress reports quarter 1
Sep 2-3	Parent-Teacher Conferences (Min. Attendance K-12)
Sept 7	Labor Day Holiday
Oct 1	First quarter ends
Oct 5 - 8	Interession/Fall Break
Week of: Oct 12	First quarter report cards go home
Week of: Nov 9	Progress reports quarter 2
Nov 11	Veterans Day
Nov 23rd - 26th	Thanksgiving Holiday
Dec 16 - 17	Semester Finals (Minimum Attendance K-12)
Dec 17	Second quarter/Semester 1 ends
Dec 21 - 31	Winter Break (Dec 24 and Dec 31 are paid observance for 12 month employees)

Jan 4	First Day of Quarter 3/Semester 2
Week of: Jan 11	Second quarter/Semester 1 report cards go home
Jan 18	Martin Luther King/Civil Rights Day
Week of: Feb 1	Progress reports quarter 3
Feb 4	Parent-Teacher Conference (Minimum Attendance K-12)
Feb 15	President's Day Holiday
Mar 4	Third quarter Ends
March 8 - 11	Interession/Spring Break
Week of: Mar 15	Third quarter report cards go home
Mar 29	Spring Holiday
Week of: Apr 12	Progress reports quarter 4
May 17 - 19	Semester Finals (Minimum Attendance K-12)
	Kingman High School Graduation
	Lee Williams High School Graduation
May 19	Fourth quarter ends/Last day for students, teachers, elementary counselors, TOAs IC, SLP
May 31	Memorial Day Holiday
Jun 15	Last day for MS/HS Counselors
Jun 17	Juneteenth observed (non-paid non work day for federal employees)

Option 1 2026-2027

<u>STUDENT DAYS:</u>	<u>STUDENT DAYS:</u>	<u>TEACHER DAYS:</u>	<u>Staff Working Days</u>
1st Semester <u>72.0</u>	1st Grading Period <u>37.0</u>	Q1 <u>41</u>	Returning Teachers,
2nd Semester <u>72.0</u>	2nd Grading Period <u>35.0</u>	Q2 <u>35</u> 1st Semester <u>76.0</u>	148 Elem Counselors
Total Days <u>144.</u>	3rd Grading Period <u>34.0</u>	Q3 <u>34</u> 2nd Semester <u>72.0</u>	New Teachers, IC,
(Minimum 144 days for 4 days)	4th Grading Period <u>38.0</u>	Q4 <u>38</u>	150 TOA, SLP
(Minimum 180 days for 5 days)	Total Days <u>144.</u>		151 New teachers
			162 MS/HS Counselors

Key Points

- Students start July 29
- Fall P/T Conferences (minimum attendance days) Sept. 2-3
- One week for Fall break/Intersession Oct 5-8
- One week for Thanksgiving Nov 23-26
- Sem 1 finals (minimum attendance days) Dec 16-17
- Two week Winter break Dec 21-31
- Spring P/T Conference one day (minimum attendance days) Feb 4
- One week Spring break March 8-11.
- Spring Holiday March 29
- Semester finals/HS graduations (minimum attendance days) May 17-19
- Last day for students/teachers May 19
- Q1 37 days, Q2 35 days, Sem 1 72 days;
- Q3 34 days, Q4 38 days, Sem 2 72 days;

Kingman Unified School District #20

2027-2028 CALENDAR

July

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Student Days			0	Teacher Days		2

August

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				
Student Days			16	Teacher Days		18

September

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		
Student Days			17	Teacher Days		17

October

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						
Student Days			12	Teacher Days		12

November

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				
Student Days			13	Teacher Days		13

December

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
Student Days			14	Teacher Days		14

January

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					
Student Days			12	Teacher Days		12

February

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29				
Student Days			16	Teacher Days		16

March

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	
Student Days			14	Teacher Days		14

April

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						
Student Days			15	Teacher Days		15

May

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
Student Days			15	Teacher Days		15

June

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	
Student Days			0	Teacher Days		0

Paid Holiday
 First day of Science Assessment

Additional Pd Holiday (12 month)
 First day of AASA Assessment

Non-work days
 New Teacher Academy (Stipend)

Minimum Attendance

Jul 5	July 4th Holiday observed
Jul 26	First day for new teachers, IC, TOA, SLP, MS/HS Counselors, 10 & 11 Mo Class.
Jul 28	First day for returning teachers, Elem Counselors
Aug 2	First day for Classified staff
Aug 4	First day for students
Week of: Aug 30	Progress reports quarter 1
Sep 1-2	Parent-Teacher Conferences (Min. Attendance K-12)
Sept 6	Labor Day Holiday
Oct 07	First quarter ends
Oct 4-7	Interession/Fall Break
Week of: Oct 11	First quarter report cards go home
Week of: Nov 8	Progress reports quarter 2
Nov 11	Veterans Day
Nov 22-25	Thanksgiving Holiday
Dec 15-16	Semester Finals (Minimum Attendance K-12)
Dec 23	Second quarter/Semester 1 ends
Dec 27-Jan 6	Winter Break (Dec 23 and Dec 30 are paid observance for 12 month employees)

Jan 10	First Day of Quarter 3/Semester 2
Week of: Jan 18	Second quarter/Semester 1 report cards go home
Jan 17	Martin Luther King/Civil Rights Day
Week of: Jan 18	Progress reports quarter 3
Feb 10	Parent-Teacher Conference (Minimum Attendance K-12)
Feb 14	President's Day Holiday
Mar 9	Third quarter Ends
Mar 13-16	Interession/Spring Break
Week of: Mar 20	Third quarter report cards go home
Apr 17	Spring Holiday
Week of: Apr 18	Progress reports quarter 4
May 22-24	Semester Finals (Minimum Attendance K-12)
	Kingman High School Graduation
	Lee Williams High School Graduation
May 24	Fourth quarter ends/Last day for students, teachers, elementary counselors, TOAs IC, SLP
May 29	Memorial Day Holiday
Jun 14	Last day for MS/HS Counselors
Jun 15	Juneteenth observed (non-paid non work day for federal employees)

Option 1 2027 - 2028

<u>STUDENT DAYS:</u>		<u>STUDENT DAYS:</u>		<u>TEACHER DAYS:</u>		<u>Staff Working Days</u>	
1st Semester	<u>72.0</u>	1st Grading Period	<u>37.0</u>	Q1	<u>41</u>	Returning Teachers,	148 Elem Counselors
2nd Semester	<u>72.0</u>	2nd Grading Period	<u>35.0</u>	Q2	<u>35</u>	1st Semester	<u>76.0</u>
Total Days	<u>144.</u>	3rd Grading Period	<u>34.0</u>	Q3	<u>34</u>	2nd Semester	<u>72.0</u>
(Minimum 144 days for 4 days)		4th Grading Period	<u>38.0</u>	Q4	<u>38</u>	151 New teachers	
(Minimum 180 days for 5 days)		Total Days	<u>144.</u>			162 MS/HS Counselors	

Key Points

- Four day week with Fridays off
- New teachers start July 26
- Returning teachers start July 28
- Classified staff starts Aug 2
- Students start Aug 4
- Fall P/T Conferences (minimum attendance days) Sept. 1-2
- One week for Fall break/Intersession Oct 11 - 14
- One week for Thanksgiving Nov 22-25
- Sem 1 finals (minimum attendance days) Dec 22-23
- Two week Winter break Dec 27 - Jan 6
- Spring P/T Conference one day (minimum attendance days) Feb 10
- One week Spring break March 13-16. State science assessment window begins up our return
- Spring Holiday (Easter Monday) April 17
- Semester finals/HS graduations (minimum attendance days) May 22-24
- Last day for students/teachers May 24
- Q1 37 days, Q2 35 days, Sem 1 72 days;
- Q3 34 days, Q4 38 days, Sem 2 72 days;

Kingman Unified School District #20

2028-2029 CALENDAR

July

S	M	T	W	Th	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					
Student Days			0	Teacher Days		3

August

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
Student Days			18	Teacher Days		19

September

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
Student Days			15	Teacher Days		15

October

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				
Student Days			14	Teacher Days		14

November

S	M	T	W	Th	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	26
26	27	28	29	30		
Student Days			13	Teacher Days		13

December

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						
Student Days			12	Teacher Days		12

January

S	M	T	W	Th	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			
Student Days			14	Teacher Days		14

February

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28			
Student Days			15	Teacher Days		15

March

S	M	T	W	Th	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Student Days			13	Teacher Days		13

April

S	M	T	W	Th	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					
Student Days			16	Teacher Days		16

May

S	M	T	W	Th	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		
Student Days			14	Teacher Days		14

June

S	M	T	W	Th	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
Student Days			0	Teacher Days		0

	Paid Holiday
	First day of Science Assessment

	Additional Pd Holiday (12 month)
	First day of AASA Assessment

	New Teacher Academy (Stipend)
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	Minimum Attendance
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July 4	July 4th Holiday
Jul 24	First day for new teachers, IC, TOA, SLP, MS/HS Counselors, 10 & 11 Mo Class.
Jul 26	First day for returning teachers, Elem Counselors
Jul 31	First day for Classified staff
Aug 2	First day for students
Week of Aug 28	Progress reports quarter 1
Aug 30-31	Parent-Teacher Conferences (Min. Attendance K-12)
Sept 4	Labor Day Holiday
Oct 5	First quarter ends
Oct 9-12	Interession/Fall Break
Week of: Oct 16	First quarter report cards go home
Week of: Nov 13	Progress reports quarter 2
Nov 9	Veterans Day observed
Nov 20-23	Thanksgiving Holiday
Dec 20-21	Semester Finals (Minimum Attendance K-12)
Dec 21	Second quarter/Semester 1 ends
Dec 25-Jan 4	Winter Break (Dec 24 and Dec 31 is paid observance for 12 month employees)

Jan 8	First Day of Quarter 3/Semester 2
Week of: Jan 16	Second quarter/Semester 1 report cards go home
Jan 15	Martin Luther King/Civil Rights Day
Week of: Feb 5	Progress reports quarter 3
Feb 8	Parent-Teacher Conference (Minimum Attendance K-12)
Feb 12	President's Day Holiday
Mar 8	Third quarter Ends
March 12-15	Interession/Spring Break
Week of: Mar 20	Third quarter report cards go home
Apr 2	Spring Holiday
Week of: Apr 16	Progress reports quarter 4
May 21-23	Semester Finals (Minimum Attendance K-12)
	Kingman High School Graduation
	Lee Williams High School Graduation
May 23	Fourth quarter ends/Last day for students, teachers, elementary counselors, TOAs IC, SLP
May 28	Memorial Day Holiday
Jun 14	Last day for MS/HS Counselors
Jun 18	Juneteenth observed (non-paid non work day for federal employees)

Option 1 2028 - 2029

STUDENT DAYS:	STUDENT DAYS:	TEACHER DAYS:	Staff Working Days
1st Semester <u>72.0</u>	1st Grading Period <u>37.0</u>	Q1 <u>41</u>	Returning Teachers, 148 Elem Counselors
2nd Semester <u>72.0</u>	2nd Grading Period <u>35.0</u>	Q2 <u>35</u> 1st Semester <u>76.0</u>	150 IC, TOA, SLP,
Total Days <u>144.</u>	3rd Grading Period <u>34.0</u>	Q3 <u>34</u> 2nd Semester <u>72.0</u>	151 New teachers
(Minimum 144 days for 4 days)	4th Grading Period <u>38.0</u>	Q4 <u>38</u>	162 MS/HS Counselors
(Minimum 180 days for 5 days)	Total Days <u>144.</u>		

Key Points

- Four day week with Fridays off
- New teachers start July 24
- Returning teachers start July 26
- Classified staff starts July 31
- Students start Aug 2
- Fall P/T Conferences (minimum attendance days) Aug 30-31
- One week for Fall break/Intersession Oct 9-12
- One week for Thanksgiving Nov 20-23
- Sem 1 finals (minimum attendance days) Dec 20-21
- Two week Winter break Dec 25 - Jan 4
- Spring P/T Conference one day (minimum attendance days) Feb 8
- One week Spring break March 12-15. State science assessment begins the following week
- Spring Holiday (Easter Monday) April 2 (Moves AASA starting April 3)
- Semester finals/HS graduations (minimum attendance days) May 21-23
- Last day for students/teachers May 23
- Q1 37 days, Q2 35 days, Sem 1 72 days;
- Q3 34 days, Q4 38 days, Sem 2 72 days;

Kingman Unified School District No. 20 2026-27 Calendar - 12-Month Employees 4 and 5-Day Per Week Work Schedules

Start Date: 7/1/2026
End Date: 6/30/2027

July							August							September							October						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
			1	2	3	4							1			1	2	3	4	5					1	2	3
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			

November							December							January							February							
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	
1	2	3	4	5	6	7			1	2	3	4	5							1	2		1	2	3	4	5	6
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13	
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20	
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27	
29	30						27	28	29	30	31			24	25	26	27	28	29	30	28							
														31														

March							April							May							June						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	27	28	29	30				
														30	31												

- Paid Holiday Observed for Employees Working a 4-Day Schedule
- Additional Paid Holiday for Employees Working a 5-Day Schedule
- Juneteenth Observed for Employees Working 4 & 5 day Schedule
- Non-Work Day for Employees Working a 4-Day Schedule
- Paid Holiday Observed for Employees Working a 5-Day Schedule
- Paid Holidays

- | | | | |
|-----------------|--|------------------|---|
| July 4 | July 4th Holiday | Jan 18 | Martin Luther King Jr./Civil Rights Day (No School) |
| July 20 | First Day for New Teachers, IC, TOA, SLP, MS/HS Counselors, 10 & 11 Mo Class. EE's | Week of Feb 1 | Q3: Progress Reports |
| July 22 | First Day for Returning Teachers, Elem. Counselors | Feb 3-4 | Parent/Teacher Conferences (Minimum Attendance) |
| July 29 | First Day for Students | Feb 15 | Presidents' Day (No School) |
| Week of Aug 31 | Q1: Progress Reports | Feb 5 | New Teachers, ICs, TOAs Work 1/2 Day |
| Sept 2-3 | Parent/Teacher Conferences (Minimum Attendance) | Mar 4 | Third Quarter Ends |
| Sept 7 | Labor Day (No School) | Mar 8-11 | Intersession Week/Spring Break |
| Sept 11 | New Teachers, ICs, TOAs Work 1/2 Day | Week of Mar 15 | Q3: Report Cards Go Home |
| Oct 1 | First Quarter Ends | March 29 | Spring Holiday (No School) |
| Oct 5 - 8 | Intersession Week/Fall Break | Week of April 12 | Q4: Progress Reports |
| Week of Oct 12 | Q1: Report Cards Go Home | Week of May 17 | Q4: Report Cards Go Home |
| Week of Nov 9 | Q2: Progress Reports | May 17 - 19 | Semester Finals (Minimum Attendance) |
| Nov 11 | Veterans Day (No School) | May | KHS Graduation |
| Nov 23 - 26 | Thanksgiving Break | May | LWHS Graduation |
| Dec 16 - 17 | Semester Finals: 9-12 (Minimum Attendance) | May 19 | Fourth Quarter Ends/Last Day for Students, Teachers, Elem. Counselors, TOA, IC, SLP, 9 Mo Class. EE's |
| Dec 17 | Second Quarter/First Semester Ends | May 31 | Memorial Day |
| Dec 21 - Dec 31 | Winter Break | June 7 | Last Day for 10 Mo Classified Employees |
| Jan 4 | First day of 2nd Semester/3rd Quarter | June 15 | Last Day for MS/HS Counselors |
| Week of Jan 11 | Q2: Report Cards Go Home | June 19 | Juneteenth |
| | | June 22 | Last Day for 11 Mo Classified Employees |

12-Month Employees (4-Day Per Week Schedule)
 Working Days: 199
 Paid Holidays: 10
 Total Paid Days: 209

12-Month Employees (5-Day Per Week Schedule)
 Working Days: 250
 Paid Holidays: 11
 Total Paid Days: 261

Kingman Unified School District No. 20 2026-27 Calendar - Certified Staff

July							August							September							October							Start Date
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	MS/HS Counselors
			1	2	3	4						1			1	2	3	4	5					1	2	3	MS/HS Counselors	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10	New Teachers/IC/TOA/SLP
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17	Returning Teachers
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24	Elementary Counselors
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31	
Student Days	2		Teacher Days		6		Student Days	17		Teacher Days		17		Student Days	17		Teacher Days		17		Student Days	13		Teacher Days		13		

November							December							January							February						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2		1	2	3	4	5	6
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
29	30						27	28	29	30	31			24	25	26	27	28	29	30	28						
Student Days	12		Teacher Days		12		Student Days	11		Teacher Days		11		Student Days	15		Teacher Days		15		Student Days	15		Teacher Days		15	

March							April							May							June							End Date	
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	All Teachers/IC/TOA/SLP	
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5	Elementary Counselors	
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12	MS/HS Counselors	
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19		
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26		
28	29	30	31				25	26	27	28	29	30			23	24	25	26	27	28	29	27	28	29	30				
Student Days	14		Teacher Days		14		Student Days	17		Teacher Days		17		Student Days	11		Teacher Days		11		Student Days	0		Teacher Days		0			

Minimum Attendance Day
 Intersession: Non-Paid/Non-Work Day
 Non-Paid/Non-Work Day
 Half Day For New Teachers, ICs, TOAs (PD)

New Teacher Academy (Stipend)
 Paid/Non-Work Day

- | | |
|--|---|
| <ul style="list-style-type: none"> July 4 July 4th Holiday July 20 First Day for New Teachers, IC, TOA, SLP, MS/HS Counselors, 10 & 11 Mo Class. EE's July 22 First Day for Returning Teachers, Elem. Counselors July 29 First Day for Students Week of Aug 31 Q1: Progress Reports Sept 2 - 3 Parent/Teacher Conferences (Minimum Attendance) Sept 7 Labor Day (No School) Sept 11 New Teachers, ICs, TOAs Work 1/2 Day Oct 1 First Quarter Ends Oct 5-8 Intersession/Fall Break Week of Oct 12 Q1: Report Cards Go Home Week of Nov 9 Q2: Progress Reports Nov 11 Veterans Day (No school) Nov 23-26 Thanksgiving Break Dec 16-17 Semester Finals: 9-12 (Minimum Attendance) Dec 17 Second Quarter/First Semester Ends Dec 21-31 Winter Break Jan 4 First day of 2nd Semester/3rd Quarter | <ul style="list-style-type: none"> Week of Jan 11 Q2: Report Cards Go Home Jan 18 Martin Luther King Jr./Civil Rights Day (No School) Week of Feb 1 Q3: Progress Reports Feb 3-4 Parent/Teacher Conferences (Minimum Attendance) Feb 15 Presidents' Day (No School) Feb 5 New Teachers, ICs, TOAs Work 1/2 Day Mar 4 Third Quarter Ends Mar 8-11 Intersession Week/ Spring Break Week of Mar 15 Q3: Report Cards Go Home March 29 Spring Holiday (No School) Week of April 12 Q4: Progress Reports Week of May 17 Q4: Report Cards Go Home May 17-19 Semester Finals (Minimum Attendance) May KHS Graduation May LWHS Graduation May 19 Fourth Quarter Ends/Last Day for Students, Teachers, Elem. Counselors, TOA, IC, SLP May 31 Memorial Day June 15 Last Day for MS/HS Counselors |
|--|---|

STUDENT DAYS:		COUNSELOR DAYS (MS/HS):		TEACHER AND ELEMENTARY COUNSELOR DAYS:	
1st Grading Period	36	1st Semester	78	1st Semester	76
2nd Grading Period	36	2nd Semester	84	2nd Semester	73
3rd Grading Period	34		162		148
4th Grading Period	38				148
Total Days	144				148

148 Returning Teachers & Elementary Counselors
151 New Teachers, Instructional Coaches, TOAs, SLPs
166 Psychologists (7/1-5/20)

Kingman Unified School District No. 20 2026-27 Calendar - CDC Caregivers

Start Date: 7/1/2026
End Date: 6/30/2027

July							August							September							October						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
			1	2	3	4						1			1	2	3	4	5				1	2	3		
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			

November							December							January							February						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
1	2	3	4	5	6	7	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
8	9	10	11	12	13	14	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
15	16	17	18	19	20	21	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
22	23	24	25	26	27	28	27	28	29	30	31			24	25	26	27	28	29	30	28						
29	30													31													

March							April							May							June						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
	1	2	3	4	5	6	4	5	6	7	8	9	10	2	3	4	5	6	7	8		1	2	3	4	5	
7	8	9	10	11	12	13	11	12	13	14	15	16	17	9	10	11	12	13	14	15	6	7	8	9	10	11	12
14	15	16	17	18	19	20	18	19	20	21	22	23	24	16	17	18	19	20	21	22	13	14	15	16	17	18	19
21	22	23	24	25	26	27	25	26	27	28	29	30		23	24	25	26	27	28	29	20	21	22	23	24	25	26
28	29	30	31											30	31						27	28	29	30			

Paid Holidays - All
 Non-Paid/Non-Work Day
 Non-Work Day: May use accrued personal leave or take unpaid

Juneteenth Observed
 Fourth of July Paid Holiday Observed

- | | | | |
|---------------|--------------------------|----------|---|
| July 4 | July 4th Holiday | Jan 18 | Martin Luther King Jr./Civil Rights Day (No School) |
| Sept 7 | Labor Day (No School) | Feb 15 | Presidents' Day (No School) |
| Nov 11 | Veterans Day (No School) | March 29 | Spring Holiday (No School) |
| Nov 25-27 | Thanksgiving Break | May 31 | Memorial Day |
| Dec 21- Jan 1 | Winter Break | June 19 | Juneteenth |
| | | June 21 | Juneteenth Observed (No School) |

Working Days: 240
 Paid Holidays: 11
Total Paid Days: 251



Kingman Unified School District No. 20 2026-27 Calendar - Transportation 9-Month and 11-Month Staff

July							August							September							October						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
			1	2	3	4						1			1	2	3	4	5					1	2	3	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			

November							December							January							February						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2		1	2	3	4	5	6
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
29	30						27	28	29	30	31			24	25	26	27	28	29	30	28						
														31													

March							April							May							June						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	27	28	29	30				
														30	31												

Start Date

9 Month

11 Month

End Date

9 Month

11 Month

- Paid Holidays
- Intersession
- Non-Paid/Non-Work Day
- Minimum Attendance Day
- Additional Holiday for 11-Month Employees
- 11-Mo: Paid Work Day
- 9-Mo: Non-Paid/Non-Work Day
- Non-Paid/Non-Work Day for 9- Month Employees

- | | | | |
|-----------------|---|-------------|--|
| July 13 | First Day for 11-Month Employees | Jan 18 | Martin Luther King Jr./Civil Rights Day (No School) |
| July 24 | First Day for 9-Month Employees | Feb 3-4 | Parent/Teacher Conferences (Minimum Attendance) |
| July 29 | First Day for Students | Feb 15 | Presidents' Day (No School) |
| Sept 2-3 | Parent/Teacher Conferences (Minimum Attendance) | Mar 4 | Third Quarter Ends |
| Sept 7 | Labor Day (No School) | Mar 8-11 | Intersession Week/ Spring Break |
| Oct 1 | First Quarter Ends | March 29 | Spring Holiday (No School) |
| Oct. 5-8 | Intersession Week/Fall Break | May 17 - 19 | Semester Finals (Minimum Attendance) |
| Nov 11 | Veterans Day (No School, Paid Holiday) | May | KHS Graduation |
| Nov 23 - 26 | Thanksgiving Break | May | LWHS Graduation |
| Dec 16 - 17 | Semester Finals: 9-12 (Minimum Attendance) | May 19 | 4th Quarter Ends: Last Day for Students & 9-Mo Employees |
| Dec 17 | Second Quarter/First Semester Ends | May 31 | Memorial Day |
| Dec 21 - Dec 31 | Winter Break | June 11 | Last Day for 11-Month Employees |
| Jan 4 | First day of 2nd Semester/3rd Quarter | | |

9 Month (4-Days Per Week)

Working Days: 147
 Paid Holidays: 7
Total Paid Days: 154

11 Month (5-Days Per Week)

Working Days: 214
 Paid Holidays: 11
Total Paid Days: 225

Kingman Unified School District No. 20 2026-27 Calendar - Classified Staff 9, 10, 11-Month, 4-Day Per Week Schedule

July							August							September							October						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
			1	2	3	4						1			1	2	3	4	5					1	2	3	
5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	4	5	6	7	8	9	10
12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	11	12	13	14	15	16	17
19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	18	19	20	21	22	23	24
26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				25	26	27	28	29	30	31
							30	31																			

November							December							January							February						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
1	2	3	4	5	6	7			1	2	3	4	5						1	2		1	2	3	4	5	6
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	7	8	9	10	11	12	13
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	14	15	16	17	18	19	20
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	21	22	23	24	25	26	27
29	30						27	28	29	30	31			24	25	26	27	28	29	30	28						
														31													

March							April							May							June						
S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S	S	M	T	W	Th	F	S
	1	2	3	4	5	6					1	2	3							1			1	2	3	4	5
7	8	9	10	11	12	13	4	5	6	7	8	9	10	2	3	4	5	6	7	8	6	7	8	9	10	11	12
14	15	16	17	18	19	20	11	12	13	14	15	16	17	9	10	11	12	13	14	15	13	14	15	16	17	18	19
21	22	23	24	25	26	27	18	19	20	21	22	23	24	16	17	18	19	20	21	22	20	21	22	23	24	25	26
28	29	30	31				25	26	27	28	29	30	23	24	25	26	27	28	29	27	28	29	30				
														30	31												

Start Date

9 Month

10 & 11 Month

End Date

9 Month

10 Month

11 Month

 Paid Holidays 9, 10, 11 Mo
 Intersession: Non-Paid/Non-Work Day
 Non-Paid/Non-Work Day
 Additional Paid Holiday 10 & 11 Mo
 Minimum Attendance Day

- | | | | |
|----------------|---|----------------|---|
| July 4 | July 4th Holiday; Non-Paid/Non-Work Day | Week of Jan 11 | Q2: Report Cards Go Home |
| July 20 | First Day for 10 & 11 Mo Classified Employees | Jan 18 | Martin Luther King Jr./Civil Rights Day (No School, Paid Holiday) |
| July 27 | First Day for 9 Mo Employees | Week of Feb 1 | Q3: Progress Reports |
| July 29 | First Day for Students | Feb 3-4 | Parent/Teacher Conferences (Minimum Attendance) |
| Week of Aug 31 | Q1: Progress Reports | Feb 15 | Presidents' Day (No School, Paid Holiday) |
| Sept 2-3 | Parent/Teacher Conferences (Minimum Attendance) | Mar 4 | Third Quarter Ends |
| Sept 7 | Labor Day (No School, Paid Holiday) | Mar 8-11 | Intersession Week/Spring Break |
| Oct 1 | First Quarter Ends | Week of Mar 15 | Q3: Report Cards Go Home |
| Oct 5-8 | Intersession/Fall Break | March 29 | Spring Holiday (No School) |
| Week of Oct 12 | Q1: Report Cards Go Home | Week of Apr 12 | Q4: Progress Reports |
| Week of Nov 9 | Q2: Progress Reports | Week of May 17 | Q4: Report Cards Go Home |
| Nov 11 | Veterans Day (No School, Paid Holiday) | May 17-19 | Semester Finals (Minimum Attendance) |
| Nov 23-26 | Thanksgiving Break | May | KHS Graduation |
| Dec 16-17 | Semester Finals: 9-12 (Minimum Attendance) | May | LWHS Graduation |
| Dec 17 | Second Quarter/First Semester Ends | May 19 | Fourth Quarter Ends; Last Day for Students, 9 Mo Employees |
| Dec 21-Dec 31 | Winter Break | May 31 | Memorial Day |
| Dec 25 | Christmas Day | June 7 | Last Day for 10 Mo Classified Employees |
| Jan 1 | New Year's Day | June 19 | Juneteenth |
| Jan 4 | First day of 2nd Semester/3rd Quarter | June 22 | Last day for 11 Mo Classified Employees |

9 Month

Working Days:	146
Paid Holidays:	7
Total Paid Days:	153

10 Month

Working Days:	159
Paid Holidays:	8
Total Paid Days:	167

11 Month

Working Days:	168
Paid Holidays:	8
Total Paid Days:	176

Positions Include:

- ASL Specialist
- Behavior Coach
- CTE Career Center Assistant
- Clerk-Occupational Therapy, Title I
- Health Office Staff
- Opportunity Room Intervener
- Paraeducator
- SLPA

Positions Include:

- Administrative Asst. (10 Mo)
- Clerk-General, Attendance
- ELL Specialist
- Paraeducator -Specialist, Student Outreach
- School-based Receptionist
- School Resource Officer
- Secretary-SPED, Guidance
- SPED/Psychologist Secretary

Positions Include:

- Administrative Asst. (11 Mo)
- Administrative Asst.-Discipline/AD, AP/AD
- Attendance Officer
- Bus/Classroom Monitor
- Registrar
- Student Accounts/Bookstore

Memorandum

To: KUSD Governing Board

From: Liz Albin, Director of Curriculum & Assessment

RE: KOLA Mission Statement

FOR AGENDA

Possible action to approve update to KOLA mission statement.

FOR PACKET

Update KOLA mission statement to meet the requirements set by the Arizona State Board of Education for Alternative School Status.

Current Mission Statement:

For students to achieve personal empowerment through alternative academic pathways to become confident, caring, and involved citizens.

Proposed Mission Statement: (additions are underlined)

The mission of KOLA High School at the Sandy McCoy Positive Alternative Campus is for underserved students to achieve personal empowerment through alternative academic pathways to become confident, caring, and involved citizens.

**50 By Fall Project Intergovernmental Agreement
between
Kingman Unified School District #20 and Arizona Board of Regents**

This “50 By Fall Project” Intergovernmental Agreement (“Agreement”) is made between **Kingman Unified School District #20** (“District”), on behalf of **Kingman High School** (the “School”), and the Arizona Board of Regents (“ABOR”).

RECITALS

1. Pursuant to A.R.S. § 11-952, the Parties may enter into agreements with each other for joint cooperative action provided each agency has been authorized by their legislative or other governing body.
2. Pursuant to A.R.S. § 15-1625(B), ABOR is authorized to enter into contracts.
3. Pursuant to A.R.S. § 15-342(13) the District/School is authorized to enter into intergovernmental agreements and contracts with school districts or other governing bodies as provided in A.R.S. § 11-952.

I. Purpose

This Agreement sets forth the entire understanding and agreement between the parties regarding their participation in the 50 By Fall Project (“PROJECT”), an effort supported by the Arizona Board of Regents, in collaboration with partner schools to increase FAFSA completion rates and create a college-going community at the high school level. The PROJECT aids schools to reach a 50% FAFSA completion rate by December 31, 2025, and to pursue a 75% FAFSA completion rate or higher by the end of the 2025-2026 academic year.

Funding for the PROJECT was approved by the Arizona Board of Regents and is intended to support the PROJECT for the 2025-2026 academic year. The Arizona Board of Regents is supporting the PROJECT as part of the Arizona FAFSA Challenge (“AZ FAFSA Challenge”).

II. Term of Agreement

The Agreement shall be effective as of date of last signature and shall remain in effect until June 30, 2026, unless terminated or extended as otherwise provided herein. This Agreement replaces and supersedes any existing agreements regarding the PROJECT.

III. Project Scope:

Support for Participating Schools:

All participating schools will gain access to a comprehensive suite of FAFSA support resources, including:

- FAFSA Toolkits for educators and school staff
- Virtual and in-person FAFSA trainings
- Best practices for hosting effective FAFSA workshops
- Plug-and-play slide decks, communications templates, and promotional tools
- Connections to FAFSA experts and one-on-one virtual support

Support/Incentive Structures

The school covered by this agreement has reached at least a 50% FAFSA completion rate on or before December 31, 2025, or have increased their completion rate by 10% compared to their completion rate as of March 1, 2025. The school listed below will receive the following incentive funding based on their 12th-grade enrollment. Funding will be provided within 30 days of execution of this agreement and submission of remittance information to accounting@azregents.edu :

School Name	Senor Class Size	Incentive Achieved	Incentive Amount
Kingman High School	200 - 249	10%	\$1,500

Use of Incentive Funds:

Awarded incentive funds must be used to support continued FAFSA engagement efforts during spring 2026, with the goal of reaching a 75% FAFSA completion rate by April 30, 2026. Any funds not expended or encumbered by June 1, 2026, must be returned to ABOR except as provided in the Fund Retention section below.

Recognition

Schools that achieve a 75% FAFSA completion rate by April 30, 2026, will be recognized during the Arizona FAFSA Challenge Award Ceremony.

Fund Retention

Any funds that have not been expended or encumbered by June 1, 2026, must be returned to the Arizona Board of Regents (ABOR) by June 30, 2026, with the following exceptions:

1. Schools that have not achieved a 75% FAFSA completion rate by April 30, 2026, may make a request to ABOR to carry over unused funds to the next FAFSA cycle by submitting a formal written request and strategic plan to ABOR no later than May 30, 2026. ABOR will, in its sole and absolute discretion, determine whether to allow a school to carry over unused funds.
2. Schools that have achieved a 75% FAFSA completion rate by April 30, 2026, may automatically retain any unused funds for use in the next FAFSA cycle—no additional request is required.

IV. Entire Agreement/No Amendment

This Agreement incorporates the complete understandings between District/School and ABOR concerning the subject matter hereof. No prior Agreement, verbal representations, or understandings shall be valid or enforceable unless embodied in this Agreement. This Agreement may be modified only upon the express written approval of both parties hereto.

V. Termination of Agreement

This Agreement may be terminated by either party upon 30 days notice to the other party if the other party breaches any material term of the agreement. Any such notice of termination shall not negate obligations already incurred or required to be performed prior to the effective date of the termination. The Parties do not contemplate the joint acquisition of any property in the performance of each Party's respective obligations under this Agreement. Any property purchased by a Party shall be promptly returned to the purchasing Party upon termination of this Agreement for any reason.

VI. Governing Law

The District/School and ABOR agree that this Agreement shall be governed by the laws of the State of Arizona, and that any dispute arising out of this Agreement shall be resolved in a court sitting in Maricopa County, Arizona.

VII. Severability

If one or more of the provisions, or any portion of any provision, in this Agreement is/are deemed void or is/are by law unenforceable or become unenforceable, the parties to this Agreement agree that a court may sever that portion of the Agreement. The parties further agree that all other provisions not deemed void or unenforceable will continue in full force and effect.

VIII. Counterparts/Facsimiles

This Agreement may be executed in one or more counterparts. Facsimile copies hereof and facsimile signatures thereon shall have the same force and effect as originals.

IX. Notices

All notices required or permitted to be given pursuant to this Agreement shall be in writing and shall be effective and delivered as follows: (i) if delivered by hand or by courier, upon personal delivery to the party to whom it is addressed; (ii) if delivered by fax/telecopy, upon receipt of confirmation that successful facsimile transmission has occurred, provided a copy of the notice is also mailed to the recipient via U.S. Mail on the date of such transmission; and (iii) if mailed via registered or certified mail, return receipt requested, postage prepaid, 3 business days following deposit in the U.S. Mail. Delivery by any means other than those listed above is invalid. For purposes hereof, the parties notice information is set forth below:

To Arizona Board of Regents:

2700 N. Central Ave. Suite 400
Phoenix, AZ 85004
Attn: Assistant Director, Business and Finance
Lisa.Kautz@azregents.edu
Phone: 602-229-2554

To Kingman Unified School District #20:

Attention: Superintendent, Dr. Gretchen Dorner
Address: 3033 MacDonald Avenue
Kingman, AZ 86401
Email: gdorner@kUSD.org
Phone: (928) 753-5678

X. Communications and Public Relations

District/School agrees that ABOR shall initiate the preparation and distribution of news releases, or promotional materials, the development of a public relations strategy, including special events, news conferences or other public announcements regarding the PROJECT. ABOR shall work with the District/School's communications department on any of the aforementioned activities.

XI. Mandatory Terms

The parties shall comply with the mandatory state contract terms set forth in the Addendum of Mandatory Contract Provisions, Attachment A, which shall take precedence over any conflicting contract terms.

IN WITNESS WHEREOF, ABOR and District/School have executed this Agreement as of the date set forth below the signature of each Party's duly authorized representative.

For the ARIZONA BOARD OF REGENTS:

Chad Sampson, Executive Director

Date

For the Kingman Unified School District #20

Superintendent, Dr. Gretchen Dorner

Date

IGA DETERMINATION - ABOR

In accordance with the requirements of A.R.S. § 11-952(D), the undersigned attorney acknowledges that this Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by legal counsel for ABOR.

Approved as to form:

ABOR General Counsel

Date

IGA DETERMINATION - DISTRICT/SCHOOL

In accordance with the requirements of A.R.S. § 11-952(D), the undersigned attorney acknowledges that this Agreement is in proper form and is within the powers and authority granted under the laws of the State of Arizona to those parties to the Agreement represented by legal counsel for the District/School.

Kingman Unified School District #20 Counsel

Date

ATTACHMENT A
ADDENDUM OF MANDATORY CONTRACT PROVISIONS

Notwithstanding any provision of the “50 By Fall Project” Intergovernmental Agreement (“the Agreement”) to the contrary, **Kingman Unified School District #20** (“School”/“District”) agrees to abide the following terms and provisions that are required for contracts with the ARIZONA BOARD OF REGENTS (“ABOR”), an agency of the State of Arizona:

1. Failure of Legislature to appropriate. Per A.R.S. § 35-154, if ABOR or the School’s/ District’s performance under the Agreement depends on the appropriation of funds by the Arizona Legislature, and if the Legislature fails to appropriate the funds necessary for performance, then ABOR or the District/School may provide written notice of this to the other party and cancel the Agreement without further obligation. Appropriation is a legislative act and is beyond the control of ABOR or the District/School. No liability shall accrue to ABOR or any other agency of the State of Arizona in the event this provision is exercised, and neither ABOR nor any other agency of the State of Arizona shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

2. Record Retention and Audit. Pursuant to A.R.S. §§ 35-214 and 35-215, ABOR and the District/School shall retain all records relating to this Agreement for a period of five years after completion of the Agreement. All records shall be subject to inspection and audit by the State of Arizona at reasonable times. Upon request, the District/School and/or ABOR shall produce the original of any or all such records at the offices of ABOR.

3. Conflict of Interest. The requirements of A.R.S. § 38-511 apply to this Agreement. ABOR or the District/School may cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of ABOR or the District/School is, at any time while this Agreement or any extension is in effect, an employee, agent, or consultant of ABOR or the District/School with respect to the subject matter of this Agreement.

4. Non-Discrimination. The parties will comply with all applicable laws, rules, regulations, and executive orders governing equal employment opportunity, immigration, and nondiscrimination, including the Americans with Disabilities Act.

5. Arbitration. The parties agree to arbitrate disputes filed in Arizona Superior Court that are subject to mandatory arbitration pursuant to A.R.S. § 12-133.

6. Authorized Presence Requirements. As required by A.R.S. § 41-4401, ABOR and the District/School are prohibited from awarding a contract to any contractor or subcontractor that fails to comply with A.R.S. § 23-214(A) (verification of employee eligibility through the e-verify program). ABOR and the District/School warrant that they and their subcontractors comply fully with all applicable immigration laws, rules, and regulations that relate to their employees and their compliance with A.R.S. § 23-214(A). A breach of this warranty will be a material breach of the Agreement that is subject to penalties up to and including termination of the Agreement. ABOR or the District/School retain the legal right to inspect the papers of

any contractor or subcontractor employee who works hereunder to ensure that the contractor or subcontractor is complying with the above warranty.

7. Confidentiality. ABOR and the District/School, as public institutions, are subject to A.R.S. §§ 39-121 to 39-127 regarding public records. Any provision regarding confidentiality is limited to the extent necessary to comply with Arizona law.

8. Privacy; Educational Records. Student educational records are protected by the U.S. Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g and its implementing regulations (FERPA). Neither ABOR nor the District/School will require the other party or its institutions' students or employees to waive any privacy rights (including FERPA or the European Union's General Data Protection Regulation (GDPR)) as a condition for receipt of any educational services, and any attempt to do so will be void. ABOR and the District/School will comply with FERPA and will not access or make any disclosures of student educational records to third parties without prior notice to and consent as otherwise provided by law. If the Agreement requires or permits ABOR or the District/School to access or release any student records, then, for purposes of the Agreement only, ABOR designates District/School and the District/School designates ABOR as a "school official" as that term is used in FERPA. In addition, any access or disclosures of student educational records made by District/School or ABOR must comply with a legitimate educational purpose. If either ABOR or the District/School violates the terms of this section, they will immediately provide notice of the violation to the other party. It is not expected that either party will need to access any of the other party's FERPA protected data for purposes of this Agreement.

Memorandum

To: KUSD Governing Board

From: Margot Jones, Executive Director of Business and Finance

RE: 50 By Fall Project Intergovernmental Agreement

FOR AGENDA

- Approve IGA between KUSD and Arizona Board of Regents to accept funding for Kingman High School's 50 By Fall Project achievement.

FOR PACKET

The 50 By Fall Project is an effort supported by the Arizona Board of Regents, in collaboration with partner schools, to increase FAFSA completion rates and create a college-going community at the high school level. This agreement allows KUSD to accept \$1500 for Kingman High's achievement in reaching a 50% FAFSA completion rate by December 31, 2025. The funds will go to Kingman High's pursuit of a 75% FAFSA completion rate or higher by the end of the 25-26 school year.

Memorandum

To: KUSD Governing Board

From: Margot Jones, Executive Director of Business and Finance

RE: NAU Affiliation Agreement for Student Placement

FOR AGENDA

- Approve Affiliation Agreement with NAU for Student Placement

FOR PACKET

This agreement allows Northern Arizona University to place practicum students within our schools in which to complete practicum hours. In order for students to be approved and to receive academic credit, an agreement must be in place. The agreement would be in effect for five years, starting 7/1/2026.



STUDENT PLACEMENT AGREEMENT (“Agreement”) **(Professional Education Programs)**

This Agreement is entered into by and between the Arizona Board of Regents for and on behalf of Northern Arizona University principally located in Flagstaff, AZ (“University”) and Kingman Unified School District (“Facility”) principally located in Kingman, AZ.

I. DURATION

This Agreement will be in effect for five (5) years unless a lesser time-period is stated herein. The effective date of this Agreement will be 7/1/2026 and will end on 6/30/2031, and may be renewed, revised, or modified by a written addendum signed by both parties. The parties agree that either party may terminate this Agreement at any time upon thirty (30) days written notice, which may include electronic mail with delivery receipt, to the other party, except that any Student, as defined below, already assigned to and accepted by the Facility shall be allowed to complete any in-progress educational experience at the Facility (if feasible), provided, however, the parties retain the right to dismiss or withdraw any Student pursuant to Section III. 5.

II. PURPOSE

This Agreement establishes a relationship between the University and the Facility, to allow students from the University (“Students”) to participate in an unpaid or paid educational experience at the Facility’s site(s) that may qualify for University academic credit, as determined by the University.

III. GENERAL TERMS

1. A schedule of Student participation will be agreed upon by the University, the Student, and the Facility.
2. The Student’s participation should complement the service and educational activities of the Facility. The Student will be under the supervision of a Facility employee.
3. Each Student is expected to perform with high standards at all times and comply with the written policies and regulations of the Facility.
4. Each Student will obtain prior written approval from the University and the Facility before publishing or presenting any materials relating to the educational experience outside the normal educational setting of the University.
5. The University and the Facility reserve the right to dismiss or withdraw Student participation if Student conduct or performance is unsatisfactory.
6. Neither the University nor the Facility is obligated to provide for the Student’s transportation to and from the Facility or for health insurance for the Student.
7. A meeting or telephone conference between representatives of the University and the Facility will occur at least once each semester to evaluate the educational program.

8. Statements of performance objectives for this educational experience will be the joint responsibility of the University and the Facility personnel.
9. Each Student must adhere to the Facility's established dress and performance standards.
10. Each Student is expected to complete Facility required training related to privacy of Facility student information or data prior to starting any educational experience at the Facility.

IV. FACILITY'S OBLIGATIONS

1. The Facility agrees to appoint a qualified mentor who is responsible for the educational activities and supervision of the University Students participating under this Agreement.
2. The Facility agrees to submit to the University an evaluation of each Student's progress. The format for the evaluation is established by the University.
3. If the Student is not paid for the educational experience, Students are not deemed to be employees of the Facility during the duration of the experience by virtue of this Agreement.

If the Student is paid by the Facility for the educational experience, the Facility will provide compensation to the Student as agreed upon between the Facility and the Student. The Facility also agrees that the Student is considered an employee for the duration of the experience and is covered by the Facility's liability insurance and other employee related benefits.

If the Student is paid by the Facility for the educational experience, the Facility shall engage the Student as a "temporary employee" subject to the provisions of the Fair Labor Standards Act (FLSA) as a non-exempt employee in compliance with the minimum wage laws and applicable overtime.

Any such employment arrangement or employment contract between the Student and the Facility:

- a. shall be "at-will" which means that the Student or the Facility may terminate the employment at any time, with or without cause and with or without notice;
 - b. shall not restrict or limit the Student's ability to seek employment or educational experiences in any capacity at any other organization;
 - c. shall not incorporate any "non-compete" or "restraint of trade" undertakings by the Student;
 - d. shall not restrict, limit, or prejudice the Student in the case of early termination, resignation, or withdrawal from the educational experience/employment;
 - e. shall not incorporate any "liquidated damages", deduction of salary or liability undertakings by the Student for termination prior to the end of the contract term.
4. The Facility is responsible for the acts and omissions of Facility employees and agents and must maintain adequate insurance (which may include a bona fide self-insurance program) to cover any liability arising from the acts and omissions of the Facility's employees and agents. The Facility is not responsible for maintaining insurance to cover liability arising from the acts and omissions of the employees and agents of the University.
 5. Nothing in this Agreement is intended to modify, impair, destroy, or otherwise affect any common law, or statutory right to indemnity, or contribution that the University may have against the Facility by reason of any act or omission of the Facility's employees or agents.

6. The Facility shall retain primary responsibility for its students and faculty.

V. UNIVERSITY'S OBLIGATIONS

1. The University will designate faculty or other representatives to coordinate scheduling, provide course information and objectives, assist in advising, and supervising Students.
2. The University will be responsible for developing and carrying out procedures for Student selection and admission.
3. The University is an Arizona public institution of higher education and is self-insured through the Arizona Department of Administration Risk Management Division pursuant to Arizona Revised Statutes ("A.R.S.") §41-621, *et seq.* to cover liabilities arising from the acts and omissions of the University's employees, Students, and agents participating under this Agreement. The University is not responsible for maintaining insurance coverage for liability arising from the acts and omissions of the Facility's employees and agents.
4. The University reserves the right to withdraw any Student from the assigned educational experience at the Facility when, in the University's judgment, the educational experience no longer meets the needs of the Student or the Facility is not meeting its obligations as set forth in this Agreement.
5. The University assures the Facility that all Students placed will have a valid fingerprint clearance card. The University will provide a copy of the card or the Identified Verified Prints ("IVP") number at the time of the request for placement. The University will conduct periodic checks on the fingerprint clearance card throughout the Student's placement to ensure the continued validation of the fingerprint clearance card. The University will immediately remove a Student whose card becomes invalid.
6. The University shall ensure that Students review and understand their responsibilities under this Agreement as outlined in Appendix A.

VI. STATE OF ARIZONA PROVISIONS

1. **Nondiscrimination.** The parties agree to comply with all applicable state and federal laws, rules, regulations, and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action.
2. **Notice of Arbitration Statutes.** Pursuant to A.R.S. §12-1518, the parties acknowledge and agree, subject to the Arizona Board of Regents Policy 3-809, that both parties may be required to make use of mandatory arbitration of any legal action that is filed in the Arizona Superior Court concerning a controversy arising out of this Agreement if required by A.R.S. §12-133.
3. **Conflict of Interest.** The parties agree that this Agreement may be cancelled for conflict of interest in accordance with A.R.S. §38-511. The Facility certifies that no such conflict of interest currently exists and that there are no relevant facts or circumstances which could give rise to any actual or potential organizational or personal conflict of interest.
4. **Cancellation for Lack of Funding.** If either party's performance under this Agreement depends upon the appropriation of funds by the Arizona Legislature or governing board, and if the Arizona Legislature or governing board fails to appropriate the funds necessary for performance, then

either party may provide written notice of this to the other party and cancel this Agreement without further obligation of either party. Appropriation is a legislative act and is beyond the control of either party.

5. **Student Educational Records.** Student educational records are protected by the U.S. Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g and its implementing regulations (“FERPA”). Facility will not require any University Students or employees to waive any privacy rights (including FERPA or the European Union’s General Data Protection Regulation (“GDPR”)) as a condition for receipt of any educational services, and any attempt to do so will be void. The Facility will comply with FERPA and will not access or make any disclosures of student educational records to third parties without prior notice to and consent from the Student or as otherwise provided by law. If this Agreement requires or permits Facility to access or release any student records, then, for the purposes of this Agreement only, the University designates Facility as a “school official” for the University under FERPA, as that term is used in FERPA.
6. **Representations Regarding Relationship and Use of University Marks.** Except as otherwise agreed in writing, the parties acknowledge that the relationship created by this Agreement is limited to the Student educational experience or placement program contemplated herein. Neither party shall make any representations stating or implying that the parties engage in broader transactions or that a party is otherwise associated with the other party without first obtaining express written permission from the other party. In addition, neither party shall use any trade name, trademark, service mark, logo, domain name, nor any other distinctive brand feature owned or used by the other party without prior written authorization from the other party.
7. **Arizona Public Records Laws.** The Facility acknowledges that the University is a public entity subject to the provisions of the Arizona Public Record Laws, A.R.S. §§ 39-121, *et seq.*

VII. MISCELLANEOUS

1. Neither party shall assign this Agreement without the prior written consent of the other party.
2. Each party shall be responsible for each party’s own costs for performance of its respective obligations under this Agreement.
3. This Agreement constitutes the entire agreement and understanding of the parties with respect to its subject matter. No prior or contemporaneous agreement or understanding will be effective. This Agreement may not be modified or amended except by written instrument signed by both parties. This Agreement and all claims arising out of or relating to this Agreement shall be governed exclusively by the laws of the State of Arizona, the courts of which shall have jurisdiction over its subject matter.
4. Neither party shall be held responsible for any losses resulting if the fulfillment of any terms or provisions of this Agreement are delayed or prevented by any cause not within the control of the party whose performance is interfered with, and which by the exercise of reasonable diligence, said party is unable to prevent (“force majeure event”), including but not limited to acts of God, war, civil disturbance, terrorism, disaster, fire, earthquakes, hurricanes, known or suspected threats of illness, epidemics, pandemics, or government regulation. This Agreement may be terminated without further obligation or penalty, including cancellation fees or liquidated

damages, of either party upon written notice from the affected party to the other party of such force majeure event.

5. This Agreement may be executed in counterparts, each of which will be deemed to be an original but all of which, taken together, shall constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic means shall constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. Signatures of the parties transmitted by electronic means shall be deemed to be their original signatures for all purposes.
6. Any notice to the parties shall be in writing and shall be deemed given if delivered in person, electronic mail with delivery receipt, or three (3) days after mailing by United States registered or certified mail, postage prepaid, and addressed as follows:

To Facility:

Kingman Unified School District
Donette Piccinetti
3033 MacDonald Ave.
Kingman, AZ 86401
Phone: 928-753-5678
Email: dpiccinetti@kUSD.org

To University:

Northern Arizona University
Assistant Vice Provost
Professional Education Programs
PO Box 5774
Flagstaff, AZ 86011
Email: NAUStudentTeaching@nau.edu

with a copy to:

Northern Arizona University
Contracts, Purchasing and Risk Management
PO Box 4124
Flagstaff, AZ 86011
Email: NAU-Contracts@nau.edu

(signature page to follow)

The undersigned have read the foregoing Agreement and, as authorized signatories of the undersigned respective entities, hereby agree to be bound by it.

University: Arizona Board of Regents for
and on behalf of Northern
Arizona University

Facility: Kingman Unified School
District

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPENDIX A

STUDENT RESPONSIBILITY STATEMENT

This acknowledgment is made by the Student identified below to acknowledge certain duties and responsibilities with regard to participation in an educational experience in the Arizona Board of Regents for and on behalf of Northern Arizona University ("University") program at the location where the educational experience takes place ("Facility").

DUTIES AND RESPONSIBILITIES OF STUDENT

1. The Student will complete and be responsible for the cost of providing all health forms, health insurance, testing, and certificates requested by the Facility.
2. The Student will comply with all applicable policies, procedures, and rules of the Facility.
3. The Student will participate in orientation, required mandatory education, and skill training as required by the Facility.
4. The Student will demonstrate professional behavior appropriate to the environment, including adhering to the Facility's established dress code and maintaining high standards at all times.
5. The Student will follow the policies, rules, and regulations of the Facility, including those regarding confidentiality of information.
6. The Student's conduct at all times, both at the Facility and outside normal business hours, will be in a personally and professionally ethical manner.
7. The Student will make appropriate arrangements for transportation and housing, if necessary, and be responsible for all travel and living expenses incurred in relation to the educational experience.
8. The Student agrees that the University may share information received from a Student's Criminal Background Check and Drug Testing with the Facility, if applicable.
9. The Student will conform to the work schedule of the Facility and make up time and work missed during unavoidable illnesses, in consultation with Facility supervisor, the Student's University placement coordinator and/or instructor.
10. The Student will obtain prior written approval from University and the Facility before publishing or presenting any material relating to the educational experience outside the normal educational settings of the University.
11. The Student acknowledges the inherent risk of exposure to COVID-19 which exists in any public place where people are present. COVID-19 is an extremely contagious disease that can lead to severe illness and death. By participating in the program, the Student assumes all risks related to exposure to COVID-19.

I HAVE READ AND UNDERSTAND THIS ACKNOWLEDGMENT AND AGREE TO ABIDE BY ITS TERMS AND CONDITIONS:

Student Name: _____
(Please type or print)

Student Signature

Date

Memorandum

To: KUSD Governing Board

From: Margot Jones, Executive Director of Business and Finance

RE: Accept all FY25 Audits and Compliance Questionnaires

FOR AGENDA

FOR PACKET

ARS 15-914 (H): *"A school district governing board or a charter school governing body shall publicly accept all audits and compliance questionnaires by roll call vote."*

Audited reports were included in your board packet, including the Financial Statements, Governance Communication letter, Single Audit Report, Reporting Package, and USFR Compliance Questionnaire.

The financial report gets into district cashflow, liabilities, capital assets, depreciation, and changes in our financial position, however when we discuss the audit or audit findings, we are generally referring to the USFR Compliance Questionnaire.

The USFR Compliance Questionnaire is what our auditors use to test our compliance with the USFR. It has over 190 questions we get tested on for the audit. The auditors will request specific samples for each question to test us on our compliance. Within each question, there can be thousands of points of data to test and trigger a finding.

Of these 190 questions, we had findings on 13, down from 17 last year, and high 20s and 30s from the previous years. Several of these findings happened over a year and half ago, at the beginning of FY25, and were my rookie mistakes regarding budgets, accounting and financial reporting. Other findings were in student attendance, procurement, and payroll files. We did have a material weakness regarding our reconciliation. This is a repeat finding and while we fixed part of it during FY25, we weren't able to correct all of it. We are continuing to work with consultants and the County to fix this during FY26.

Overall, this was a great audit year. This is because of the efforts of all staff working together to stay compliant; office coordinators, clerks, club sponsors, coaches, principals, athletic directors, all district staff own this success. We ask the board to accept all audits and compliance questionnaires.

**KINGMAN UNIFIED SCHOOL DISTRICT NO.
20
KINGMAN, ARIZONA**

**ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2025**



KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
KINGMAN, ARIZONA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025

Issued by:
Business and Finance Department

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Governing Board
Kingman Unified School District No. 20
Kingman, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20 (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20, as of June 30, 2025, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 6 and 10 to the basic financial statements, for the year ended June 30, 2025, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

As discussed in Note 10 to the financial statements, the District restated beginning fund balances of its financial statements for the year ended June 30, 2025, to correct an error in its previously issued financial statements. Our opinions are not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual financial report. The other information is comprised of the statistical sections but does not include the financial statements and our auditors’ report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2026, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

As management of the Kingman Unified School District No. 20 (District), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$82.0 million (net position). The District's total net position increased by \$21.4 million.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$45.6 million, an increase of \$3.1 million in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25.2 million, or 39% of total General Fund expenditures.
- The District's net capital assets increased \$5.9 million due to capital additions exceeding depreciation expenses.
- The District's long-term liabilities decreased \$13.0 million or 15% due to a decrease in the pension liability and decrease in bonds and lease payable due to the current year's principal payments on the District's bonds and leases.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes to net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but, unused vacation leave).

The government-wide financial statements distinguish functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are for public education.

The government-wide financial statements can be found immediately following this MD&A.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the District are classified as governmental funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine individual governmental funds. Information is presented separately in the governmental fund *Balance Sheet* and in the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* for the General Fund, Classroom Site Fund, and Special Projects Fund, which are considered to be major funds. Data from the other six governmental funds are combined into a single aggregated presentation.

An operating budget for expenditures is prepared, and adopted by the District each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds. Budgetary control is ultimately exercised at the fund level. Budgetary control is maintained through the use of periodic reports that compare actual expenditures against budgeted amounts. The expenditure budget can be revised annually, per Arizona Revised Statutes. The District also maintains an encumbrance accounting system as one technique of maintaining budgetary control. Encumbered amounts lapse at year-end. An annual budget of revenue from all sources is not prepared.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The basic governmental fund financial statements can be found on pages 20 – 23 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 25 – 43 of this report.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Required Supplementary Information Other than MD&A

The District reports a multi-year schedule of the District's proportionate share of net pension liability on page 45.

Governments have the option of presenting the General Fund and major special revenue budgetary statements as part of the basic financial statements or as required supplementary information (RSI) other than the MD&A. The District has elected to present the General Fund, Classroom Site Fund, and Special Projects Fund budgetary comparison schedules as RSI other than the MD&A which can be found on pages 46 - 48. Notes to the RSI are presented after the budgetary comparison schedules on page 49.

Other Information

The statistical section includes selected tax and debt information on a multi-year basis. The statistical section can be found on pages 51 - 59 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82.0 million at the close of the most recent fiscal year.

A summary of the District's statement of net position is presented below:

	Governmental Activities		
	2025	(Restated) 2024	Net Change
ASSETS			
Current and other assets	\$ 50,320,168	\$ 47,684,032	\$ 2,636,136
Capital assets	105,666,128	99,782,924	5,883,204
Total Assets	155,986,296	147,466,956	8,519,340
DEFERRED OUTFLOWS	6,578,223	5,322,080	1,256,143
Total Assets and Deferred Outflows	162,564,519	152,789,036	9,775,483
LIABILITIES			
Current liabilities	2,177,848	2,331,541	(153,693)
Long-term liabilities	71,292,058	84,268,073	(12,976,015)
Total Liabilities	73,469,906	86,599,614	(13,129,708)
DEFERRED INFLOWS	7,058,743	5,580,486	1,478,257
Total Liabilities and Deferred Inflows	80,528,649	92,180,100	(11,651,451)
NET POSITION			
Net investment in capital assets	75,718,984	61,892,677	13,826,307
Restricted	21,781,071	18,406,644	3,374,427
Unrestricted	(15,464,185)	(19,690,385)	4,226,200
Total Net Position	\$ 82,035,870	\$ 60,608,936	\$ 21,426,934

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, improvements, vehicles, equipment, and furniture), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District was able to report positive balances in the investment in capital assets and restricted net position. The District reported a negative balance in unrestricted net position due to the District's reporting of its proportionate share of the net pension/OPEB liability (asset) for its cost-sharing pension plan required under Governmental Accounting Standards Board (GASB) Statement No. 68 and Governmental Accounting Standards Board (GASB) Statement No. 75.

Additional information on the District's net pension/OPEB liabilities can be found in Note 10 of this report.

Overall, net position increased \$21.4 million, or 35%. Key elements of this increase are indicated as follows:

	Governmental Activities		
	2025	2024	Net Change
REVENUES			
Program revenues:			
Charges for services	\$ 2,691,987	\$ 2,027,732	\$ 664,255
Operating grants and contributions	23,066,571	20,631,818	2,434,753
Capital grants and contributions	3,339,823	678,769	2,661,054
General revenues:			
Property taxes	25,765,547	28,262,479	(2,496,932)
State equalization and additional state aid	42,176,683	46,071,323	(3,894,640)
County equalization	11,134	15,533	(4,399)
Interest and other	1,893,215	1,829,787	63,428
Total Revenues	98,944,960	99,517,441	(572,481)
EXPENSES			
Instruction	35,787,108	38,436,388	(2,649,280)
Support Services:			
Students and instructional staff	12,222,338	12,799,376	(577,038)
Administration	8,506,190	9,016,271	(510,081)
Operation and maintenance of plant	11,298,137	10,173,275	1,124,862
Operation of noninstructional services	3,807,907	3,825,395	(17,488)
Student transportation	5,159,674	5,478,981	(319,307)
Interest on long-term debt	736,672	856,445	(119,773)
Total Expenses	77,518,026	80,586,131	(3,068,105)
Change in net position	21,426,934	18,931,310	2,495,624
Net Position - Beginning, As Restated	60,608,936	41,677,626	18,931,310
Net Position - Ending	\$ 82,035,870	\$ 60,608,936	\$ 21,426,934

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Program Revenues

The District reported an increase in charges for services of \$0.7 million which was not considered significant.

Operating grants and contributions increased \$2.4 million (12%) due to an increase in state and federal grant funding.

The increase of \$2.7 million (392%) in capital grants and contributions was related to increased repair and improvement projects from the ADOA's School Facilities Division.

General Revenues

The District experienced a 9% decrease in property tax revenue as a result of a decrease in the tax levy due to decrease in tax rates.

State and county equalization and additional state aid increased \$3.9 million (8%) due to decreases in the state funding formula.

Interest and other income increased \$0.06 million which was not considered significant.

The District's expenses decreased by \$3.1 million (4%) in the current year. The District's mission is to provide an appropriate and outstanding educational experience for every student served within budget constraints. The decrease was mainly due to decreases in other professional services, textbooks and instructional aids, technology supplies, and technology hardware and software. The decreases within these categories were offset by increases in repairs and maintenance and fuel.

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$45.6 million, an increase of \$3.1 million in comparison with the prior year. Approximately 55% of this total amount (\$25.2 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balance is restricted to indicate that it is not available for new spending.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Fund balances as of June 30, 2025, and the changes in fund balances from the prior year are summarized below:

	Balance	Increase (Decrease) From 2023-24
GOVERNMENTAL FUND		
General Fund	\$ 25,219,772	\$ (262,094)
Classroom Site Fund	10,206,188	2,914,155
Special Projects Fund	535,563	36,198
Nonmajor Governmental Funds	9,650,909	429,502
Total Governmental Fund Balances	<u>\$ 45,612,432</u>	<u>\$ 3,117,761</u>

The General Fund continues to experience a positive net change in fund balance. For the fiscal year ended June 30, 2025, the General Fund had a decrease in fund balance of \$0.3 million which was not considered significant.

The increase of \$2.9 million in the Classroom Site Fund was due to revenues exceeding current year spending based on the District’s Classroom Site Fund plan.

The increase of \$0.04 million in the Special Projects Fund was not considered significant.

The increase in the Nonmajor Governmental Funds increased by \$0.4 million due to the increase in instructional improvement funding relative to current year expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget totaled \$0.2 million. In Arizona, school districts build their original “adopted” budget based on a projection of the coming fiscal year’s 100th day average daily attendance. In May, the District is allowed to increase or decrease its budget for differences between expected and actual student growth. The budget increase was allocated among various line items in regular education pupil transportation, and K-3 reading program. There increases in maintenance of plant of \$1.3 million which was offset by decrease in special education - support services – students of \$1.1 million. Budgetary basis General Fund expenditures were \$7.8 million less than budget during the fiscal year. Budgetary basis expenditures were 7.4% less than budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District’s investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$105.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, vehicles, furniture, and equipment. The net increase in the District’s investment in capital assets for the current fiscal year was 6%.

Major capital asset events during the current fiscal year included the following projects:

- Roof projects.
- Remodel projects.
- School buses and other District vehicles.
- Technology equipment and upgrades.
- Water heater improvements.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Capital asset activity as of June 30, 2025, is summarized below:

	Governmental Activities		
	2025	2024	Net Change
CAPITAL ASSETS			
Land	\$ 1,806,063	\$ 1,803,093	\$ 2,970
Construction in progress	-	745,494	(745,494)
Land improvements	2,750,023	2,711,641	38,382
Buildings & improvements	91,638,286	84,785,261	6,853,025
Vehicles, equipment, and furniture	9,471,756	9,705,305	(233,549)
Right-to-use lease assets:			
Vehicles, equipment, and furniture	-	32,130	(32,130)
Total Capital Assets	\$ 105,666,128	\$ 99,782,924	\$ 5,883,204

Additional information on the District's capital assets can be found in Note 5 of this report.

Long-Term Debt

At end of the current fiscal year, the District's debt included compensated absences, finance purchased, leases payable, bonds payable, and the net pension/OPEB liabilities. The District's bonded debt decreased by an amount of \$6.3 million during the current fiscal year. The decrease was due to regularly scheduled principal payments. Compensated absences decreased \$148,026 during the current year. Financed purchases decreased by \$1.0 million due to scheduled principal payments in accordance with the financed purchase agreements. Lease payable decreased by \$32,130 due to scheduled principal payments. The net pension liability decreased \$4.8 million. Changes in the Net Pension/OPEB liabilities can be found in Note 10 to the basic financial statements.

	Governmental Activities		
	2025	(Restated) 2024	Net Change
LONG-TERM LIABILITIES			
General obligation bonds	\$ 6,775,000	\$ 13,025,000	\$ (6,250,000)
Unamortized premium	709,233	1,418,464	(709,231)
Financed purchase	21,882,224	22,864,404	(982,180)
Leases payable	-	32,130	(32,130)
Compensated absences	2,778,000	2,926,026	(148,026)
Net pension liability	39,141,282	43,966,604	(4,825,322)
Net OPEB liability	6,319	35,445	(29,126)
Total Long-term Liabilities	\$ 71,292,058	\$ 84,268,073	\$(12,976,015)

The state constitution limits the amount of total outstanding bonded indebtedness of a unified school district to 30% of its net full cash value. The current constitutional debt limitation for the District is \$317.4 million, which is significantly in excess of the District's outstanding bonded debt.

State statutes limit the borrowing capacity on Class B bonded debt to the greater of \$1,500 per student or 20% of the net full cash valuation. Class B bonds are those bonds authorized at elections held after December 31, 1998. The current Class B bonded legal debt margin for the District is \$211.6 million. As of June 30, 2025, the District was under its legal debt limit for Class B bonds by \$204.8 million.

Additional information on the District's long-term debt can be found in Note 7 of this report.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Changes in Average Daily Membership.
- Inflationary factors and increases in utility and operating costs.
- Federal and State grant funding and related requirements and timelines.

The above factors were considered in preparing the District's budget for the 2025-26 fiscal year.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Kingman Unified School District No. 20, 3033 MacDonald Avenue, Kingman, Arizona 86401 or via the District's website www.kusd.org.

BASIC FINANCIAL STATEMENTS

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 35,408,402
Property taxes receivable	1,472,422
Intergovernmental receivable	11,664,007
Accounts receivable	170,433
Deposits	25,909
Inventory	121,113
Net OPEB asset	1,457,882
Capital assets, not depreciated	1,806,063
Capital assets, net of accumulated depreciation	<u>103,860,065</u>
Total Assets	<u>155,986,296</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	6,306,016
Deferred outflows related to OPEB	<u>272,207</u>
Total Deferred Outflows of Resources	<u>6,578,223</u>
LIABILITIES	
Accounts payable	1,326,640
Accrued wages and benefits	851,208
Long-term liabilities:	
Due within one year	8,575,109
Due in more than one year	<u>62,716,949</u>
Total Liabilities	<u>73,469,906</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	6,511,132
Deferred inflows related to OPEB	<u>547,611</u>
Total Deferred Inflows of Resources	<u>7,058,743</u>
NET POSITION	
Net investment in capital assets	75,718,984
Restricted:	
Net OPEB asset	1,457,882
Teacher compensation and other qualified programs (A.R.S. 15-977)	10,206,188
Instructional improvement programs	2,950,629
Federal and state instructional programs	535,563
Food service	1,951,305
Civic center	45,831
Community programs	1,721
Vocational educational programs	1,061,122
Extracurricular activities	322,069
Student activities	619,868
Debt service	1,215,088
Other programs	1,413,805
Unrestricted	<u>(15,464,185)</u>
Total Net Position	<u>\$ 82,035,870</u>

See accompanying Notes to the Basic Financial Statements

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2025

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
Instruction	\$ 35,787,108	\$ 1,141,206	\$ 17,581,313	\$ -	\$ (17,064,589)
Support services:					
Students	7,651,951	531,072	-	-	(7,120,879)
Instructional staff	4,570,387	152,565	2,480,378	-	(1,937,444)
General administration	1,485,049	17,967	2,773,552	-	1,306,470
School administration	3,968,009	61,155	-	-	(3,906,854)
Business and other support services	3,053,132	42,357	41,054	-	(2,969,721)
Operation and maintenance of plant	11,298,137	220,666	184,240	3,339,823	(7,553,408)
Student transportation	5,159,674	65,177	4,855	-	(5,089,642)
Operation of noninstructional services	3,807,907	459,822	1,179	-	(3,346,906)
Interest on long-term debt	736,672	-	-	-	(736,672)
Total	\$ 77,518,026	\$ 2,691,987	\$ 23,066,571	\$ 3,339,823	(48,419,645)
General revenues:					
Property taxes					25,765,547
Grants and contributions not restricted to specific programs:					
State equalization and additional state aid					42,176,683
County equalization					11,134
Investment earnings					1,807,693
Other					85,522
Total general revenues					69,846,579
Change in net position					21,426,934
Net position - beginning					62,301,209
Aggregate amount of adjustments to and restatements fo beginning net position					(1,692,273)
Net position - beginning, as restated					60,608,936
Net position - ending					\$ 82,035,870

See accompanying Notes to the Basic Financial Statements

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 16,515,353	\$ 10,206,193	\$ 165,505	\$ 8,521,351	\$ 35,408,402
Receivables:					
Property taxes	1,115,369	-	-	357,053	1,472,422
Intergovernmental	9,961,188	-	456,369	1,246,450	11,664,007
Accounts receivable	162,477	-	-	7,956	170,433
Deposits	24,244	-	-	1,665	25,909
Inventory	51,642	-	-	69,471	121,113
Total Assets	\$ 27,830,273	\$ 10,206,193	\$ 621,874	\$ 10,203,946	\$ 48,862,286
LIABILITIES					
Accounts payable	\$ 1,043,812	\$ -	\$ 26,590	\$ 256,238	\$ 1,326,640
Accrued wages and benefits	755,164	5	59,721	36,318	851,208
Total Liabilities	1,798,976	5	86,311	292,556	2,177,848
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	811,525	-	-	260,481	1,072,006
FUND BALANCES					
Nonspendable	51,642	-	-	69,471	121,113
Restricted	-	10,206,188	535,563	9,581,438	20,323,189
Unassigned	25,168,130	-	-	-	25,168,130
Total Fund Balances	25,219,772	10,206,188	535,563	9,650,909	45,612,432
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,830,273	\$ 10,206,193	\$ 621,874	\$ 10,203,946	\$ 48,862,286

See accompanying Notes to the Basic Financial Statements

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2025**

Total Fund Balance - Governmental Funds \$ 45,612,432

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 184,855,041	
Accumulated depreciation	<u>(79,188,913)</u>	105,666,128

Property tax revenue not collected within 60 days subsequent to fiscal year end are reported as deferred inflows of resources in the governmental funds:		1,072,006
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Net OPEB asset:

In governmental funds, postretirement benefits costs are recognized as expenditures in the period they are paid. In the government-wide statements, they are recognized in the period they are incurred. The net OPEB asset at the end of the period was:

1,457,882

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

General obligation bonds	(6,775,000)	
Unamortized premiums	(709,233)	
Financed purchase liability	(21,882,224)	
Net pension liability	(39,141,282)	
Net OPEB liability	(6,319)	
Compensated absences	<u>(2,778,000)</u>	(71,292,058)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported:

Deferred outflows of resources relating to pensions:	6,306,016	
Deferred inflows of resources relating to pensions:	(6,511,132)	
Deferred outflows of resources relating to OPEB ASRS:	272,207	
Deferred inflows of resources relating to OPEB ASRS:	<u>(547,611)</u>	(480,520)

Total Net Position - Governmental Activities \$ 82,035,870

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 19,402,531	\$ -	\$ -	\$ 6,693,726	\$ 26,096,257
Intergovernmental	43,252,371	6,545,627	11,630,537	7,088,668	68,517,203
Tuition	418,759	-	-	1,404,453	1,823,212
Charges for services	25,861	-	-	-	25,861
Food sales	-	-	-	14,382	14,382
Auxiliary operations	311,868	-	-	-	311,868
Student activities	-	-	-	516,664	516,664
Contributions and donations	2,702	-	-	74,306	77,008
Investment earnings	950,294	372,063	-	485,336	1,807,693
Other	34,770	-	20	50,732	85,522
Total Revenues	64,399,156	6,917,690	11,630,557	16,328,267	99,275,670
EXPENDITURES					
Current					
Instruction	28,099,563	4,003,535	2,850,662	1,078,492	36,032,252
Support services:					
Students	6,582,983	-	1,135,543	463,915	8,182,441
Instructional staff	3,488,449	-	1,190,491	292,660	4,971,600
General administration	1,473,149	-	-	-	1,473,149
School administration	4,300,252	-	13,585	19,560	4,333,397
Business and other support services	3,098,490	-	84,969	6,350	3,189,809
Operations and maintenance of plant	9,549,875	-	-	107,227	9,657,102
Student transportation	5,269,935	-	525	929	5,271,389
Operations of noninstructional services	163,103	-	94,283	3,665,063	3,922,449
Debt service:					
Principal	399,310	-	-	6,865,000	7,264,310
Interest and fiscal charges	307,194	-	-	1,138,709	1,445,903
Capital outlay:					
Facilities acquisition	1,043,630	-	6,002,028	3,392,102	10,437,760
Total Expenditures	63,775,933	4,003,535	11,372,086	17,030,007	96,181,561
Excess (Deficiency) of Revenues Over Expenditures	623,223	2,914,155	258,471	(701,740)	3,094,109
Other Financing Sources (Uses)					
Transfers in	222,273	-	-	1,123,036	1,345,309
Transfers out	(1,123,036)	-	(222,273)	-	(1,345,309)
Net Financing Sources (Uses)	(900,763)	-	(222,273)	1,123,036	-
NET CHANGE IN FUND BALANCE	(277,540)	2,914,155	36,198	421,296	3,094,109
Fund Balance - Beginning	25,481,866	7,292,033	499,365	9,221,407	42,494,671
Increase/(decrease) in inventories	15,446	-	-	8,206	23,652
Fund Balance - Ending	\$ 25,219,772	\$ 10,206,188	\$ 535,563	\$ 9,650,909	\$ 45,612,432

See accompanying Notes to the Basic Financial Statements

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2025**

Net Change in Fund Balances - Governmental Funds \$ 3,094,109

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capital outlay:	\$ 11,385,498	
Depreciation expense:	<u>(5,368,892)</u>	6,016,606

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. (133,402)

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the statement of activities and therefore are not reported as revenues in the statement of activities.

Property taxes (330,710)

Governmental funds report pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions.

Pension contributions	4,121,186	
Pension expense	292,904	
OPEB contributions	73,130	
OPEB expense	147,892	

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position.

Principal payment on school improvement bonds	6,250,000	
Amortization of bond premium	709,231	
Financed purchase payment	982,180	
Lease payment	32,130	

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

Net decrease (increase) in compensated absences	148,026	
Change in inventories balances	<u>23,652</u>	

Change in Net Position of Governmental Activities \$ 21,426,934

NOTES TO THE BASIC FINANCIAL STATEMENTS

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Kingman Unified School District No. 20 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the District's more significant accounting policies follows. For the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences. The District's financial statements have been modified to reflect the implementation of this new standard.

Reporting Entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the funds of those organizational entities for which its elected governing board is financially accountable.

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 nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the fiscal year.

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 operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year (within one month), the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, tuition, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

Major Governmental Funds

The *General Fund* is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. For budget purposes, it is described as the Maintenance and Operation Fund by Arizona Revised Statutes (A.R.S.) and is budgeted within five subsections titled regular education programs, special education programs, pupil transportation, dropout prevention, and K-3 reading program.

The *Classroom Site Fund* accounts for the revenues and expenditures of State apportioned educational sales tax monies.

The *Special Projects Fund* accounts for the revenues and expenditures of state and federally funded projects.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit certain cash with the County Treasurer. That cash is pooled for investment purposes, except for cash in the Debt Service and Bond Building Funds, which are invested separately. As required by statute, interest earned by the Bond Building Fund is recorded in the Debt Service Fund.

A.R.S. authorize the District to invest public monies in the State and County Treasurer's investment pools; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories.

Statute authorizes the District to deposit monies of Auxiliary Operations and Student Activities in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholding accounts for taxes, employee insurance programs, and federal savings bonds. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of monies at 102% of all deposits not covered by federal depository insurance.

The State Board of Investments provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. No comparable oversight is provided for the County Treasurer's investment pool, and that pool's structure does not provide for shares.

Property Taxes Receivables

Mohave County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property assessments attaches on the first day of January preceding assessment and levy thereof.

The District does not report a reserve for uncollectible property taxes as they are considered 100 percent collectible due to the County attaching a lien against all amounts past due as noted above.

Intergovernmental Receivable

Intergovernmental receivables are comprised of state equalization (\$9,415,580), instructional improvement (\$252,121), federal grants (\$907,476), school facilities board (\$447,567), and other (\$641,263).

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2025**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Deposits

Deposits in the amount of \$1,665 represents cash deposits with Mohave Educational Services in the food service cooperative and the Trust.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column 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 an estimated useful life in excess of one year.

Property, plant, and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Land improvements	10-50 years
Building and improvements	5-50 years
Vehicles, equipment, furniture	5-20 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Interfund Receivables and Payables

The District records short-term borrowings as due to and due from other funds. The due to and due from other funds are recorded to eliminate deficit cash balances in individual funds.

Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Compensated Absences (Continued)

Vacation – The District’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee’s current pay rate upon separation from employment.

Sick Leave – The District’s policy permits employees to accumulate earned but unused sick leave without limit, but a maximum of 1,800 hour is established for the determination of any payout for unused sick leave. Accumulated sick leave for certified an exempt staff with ten (10) or more consecutive full years with the District shall be paid for their unused sick leave at a rate of \$9 per hour. Certified and exempt staff with less than ten (10) consecutive full years with the District shall be paid for their unused sick leave at a rate of \$5 per hour. Classified, hourly staff with ten (10) or more consecutive full years with the District shall be paid at a rate of \$6.25 per hour. Sick leave for all other employees lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, the issuance of debt is recorded as another financing source. Premiums and discounts are recorded as other financing sources/uses, respectively in the fund financial statements and are recorded net of the debt in the government-wide financial statements and amortized over the life of the bond.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pension and Other Postemployment Benefit Plans

For purposes of measuring the net pension and total other postemployment benefit (OPEB) liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension and OPEB plans’ fiduciary net position and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. The net investment in capital assets is separately reported because the District's capital assets make up a significant portion of total net position. Restricted net position account for the portion of net position restricted by parties outside the District. Unrestricted net position is the remaining net position not included in the previous two categories.

Fund Balance

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, committed, assigned, and unassigned fund balance classifications.

The District did not report committed or assigned fund balances during the current year.

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. The committed fund balances are self-imposed limitations approved by the District's Governing Board, which is the highest level of decision-making authority within the District. Only the District Governing Board can remove or change the constraints placed on committed fund balances through formal board action at a public meeting. Fund balances must be committed prior to fiscal year-end. Assigned fund balances are resources constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The District's Governing Board has not authorized any management officials to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

The District has not adopted a spending priority policy. When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, in accordance with GASB 54, the District uses restricted fund balance first. For the disbursement of unrestricted fund balances, the District follows the spending policy described in GASB 54 to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Fund Balance (Continued)

The District has classified its fund balances as follows:

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Activities
Nonspendable					
Inventory	\$ 51,642	\$ -	\$ -	\$ 69,471	\$ 121,113
Total nonspendable	51,642	-	-	69,471	121,113
Restricted					
Teacher compensation and other qualified programs (A.R.S. 15-977)	-	10,206,188	-	-	10,206,188
Instructional improvement programs	-	-	-	2,950,629	2,950,629
Federal and state instructional programs	-	-	535,563	-	535,563
Food service	-	-	-	1,951,305	1,951,305
Civic center	-	-	-	45,831	45,831
Community programs	-	-	-	1,721	1,721
Vocational educational programs	-	-	-	1,061,122	1,061,122
Extracurricular activities	-	-	-	322,069	322,069
Student activities	-	-	-	619,868	619,868
Debt service	-	-	-	1,215,088	1,215,088
Other programs	-	-	-	1,413,805	1,413,805
Total restricted	-	10,206,188	535,563	9,581,438	20,323,189
Unassigned	25,168,130	-	-	-	25,168,130
Total	\$ 25,219,772	\$ 10,206,188	\$ 535,563	\$ 9,650,909	\$ 45,612,432

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures (See Notes to Required Supplementary Information for exceptions). The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent on or by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted the budget can be increased or decreased only for specific reasons set forth in the A.R.S. All appropriations lapse at year-end.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within five subsections (see preceding description of General Fund), any of which may be over-expended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund’s total budget. The dropout prevention program subsection of the General Fund budget was exceeded by \$5,505. This over expenditure was offset by budget capacity in other General Fund subsections.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits and investments at June 30, 2025 consist of the following:

Deposits:	
Cash in bank	\$ 149,046
Investments:	
Cash on deposit with county treasurer	<u>35,259,356</u>
Total deposits and investments	<u>\$ 35,408,402</u>

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. On June 30, 2025, the carrying amount of the District’s deposits was \$146,046, and the bank balance was \$149,046. On June 30, 2025 the entire bank balance was covered by federal depository insurance.

Investments

At June 30, 2025, the District’s investments were reported at fair value. The District’s investments consisted of only cash on deposit with the County Treasurer.

Custodial Credit Risk – The District’s investment in the County Treasurer’s investment pools represents a proportionate interest in those pools’ portfolios; however, the District’s portion is not identified with any specific investment and is not subject to custodial credit risk.

Interest Rate Risk – The District does not have a formal investment policy regarding interest rate risk; however, the District manages its exposure to declines in fair values by limiting the average maturity of its investment portfolio to one year or less.

Credit Risk – The District does not have a formal investment policy regarding credit risk. However, the District is prohibited by state law from investing in investments other than State and County Treasurer’s investment pools, U.S. Treasury obligations, specified state and local government bonds and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements. The District’s investment in the County Treasurer’s investment pool did not receive a credit quality rating from a national rating agency.

NOTE 4 – UNAVAILABLE REVENUES

Property taxes are recognized as revenues in the fiscal year they are levied in the government-wide financial statements and represent a reconciling item between the government-wide and fund financial statements. In the fund financial statements property taxes are recognized as revenues in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as deferred inflows of resources. Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year the District reported \$811,525 and \$260,481 within the General Fund and Nonmajor Governmental Funds, respectively, for delinquent property taxes that have been earned but not yet received as unavailable revenues.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 01, 2024	Additions	Deductions and Adjstments	Balance June 30, 2025
Capital assets not being depreciated				
Land	\$ 1,803,093	\$ 2,970	\$ -	\$ 1,806,063
Construction in progress	745,494	8,678,069	(9,423,563)	-
Total capital assets not being depreciated	<u>2,548,587</u>	<u>8,681,039</u>	<u>(9,423,563)</u>	<u>1,806,063</u>
Capital assets being depreciated				
Land improvements	7,125,148	787,798	-	7,912,946
Buildings and improvements	146,850,795	10,649,811	-	157,500,606
Vehicles, equipment, and furniture	16,890,719	690,413	(480,266)	17,100,866
Right-to-use lease assets:				
Vehicles, equipment, and furniture	534,560	-	-	534,560
Total capital assets being depreciated	<u>171,401,222</u>	<u>12,128,022</u>	<u>(480,266)</u>	<u>183,048,978</u>
Less accumulated depreciation				
Land improvements	(4,413,507)	(749,416)	-	(5,162,923)
Buildings and improvements	(62,065,534)	(3,796,786)	-	(65,862,320)
Vehicles, equipment, and furniture	(7,185,414)	(790,560)	346,864	(7,629,110)
Right-to-use lease assets:				
Vehicles, equipment, and furniture	(502,430)	(32,130)	-	(534,560)
Total accumulated depreciation	<u>(74,166,885)</u>	<u>(5,368,892)</u>	<u>346,864</u>	<u>(79,188,913)</u>
Total capital assets, being depreciated, net	<u>97,234,337</u>	<u>6,759,130</u>	<u>(133,402)</u>	<u>103,860,065</u>
Governmental activities capital assets, net	<u>\$ 99,782,924</u>	<u>\$ 15,440,169</u>	<u>\$ (9,556,965)</u>	<u>\$ 105,666,128</u>

Depreciation/amortization expenses was charged to governmental functions as follows:

Governmental Activities:	
Instruction	\$ 2,463,879
Support Services:	
Students	24,353
Instructional Staff	2,248
General Administration	43,757
School Administration	37,506
Business and Other Support Services	154,138
Operations and Maintenance of Plant	1,758,572
Student Transportation	734,243
Operation of Noninstructional Services	<u>150,196</u>
Total	<u>\$ 5,368,892</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025, consisted of the following:

<u>Transfer to</u>	<u>Transfer from</u>		Total
	General Fund	Special Projects Fund	
General Fund	\$ -	\$ 222,273	\$ 222,273
Nonmajor Governmental Funds	1,123,036	-	1,123,036
Total	<u>\$ 1,123,036</u>	<u>\$ 222,273</u>	<u>\$ 1,345,309</u>

Transfers were made to record indirect costs transferred to the indirect cost pool for various federal grants from the Special Projects Fund and Nonmajor Governmental Funds to the General Fund. In addition, a transfer was made from the General Funds to the Nonmajor Governmental Fund for energy and water saving project payments.

NOTE 7 – LONG-TERM OBLIGATIONS

Compensated Absences

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. During fiscal year June 30, 2025, the District paid for compensated absences from the General Fund.

General Obligation Bonds Payable

The District's bonded debt consisted of the following outstanding refunding revenue bonds. The bonds are noncallable with interest payable semiannually. Revenues recorded in the Debt Service Fund are used to pay bonded debt.

General obligation bonds currently outstanding are as following at June 30, 2025:

<u>Purpose</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>Original Issue</u>	<u>Balance</u>
Governmental Activities:				
Refunding Bonds, Series 2016	2.0 - 5.0%	7/1/2024-26	\$ 40,805,000	\$ 6,775,000

Debt service requirements on bonds payable at June 30, 2025 are as follows:

<u>Year ended, June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	6,775,000	338,750
Total	<u>\$ 6,775,000</u>	<u>\$ 338,750</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 – LONG-TERM OBLIGATIONS (CONTINUED)

Financed Purchase Payable

The District acquired school buses and energy system improvements under the provisions of financed purchase agreements for a total purchase price of \$27,852,510.

Annual debt service requirement to maturity on financed purchase agreements at year end are summarized as follows:

Year ended, June 30,	Governmental Activities	
	Principal	Interest
2026	\$ 1,057,696	\$ 586,559
2027	1,137,248	549,459
2028	1,219,894	509,829
2029	1,307,689	467,540
2030	1,400,697	422,447
2031-2035	5,769,000	1,608,279
2036-2040	8,046,000	793,385
2041	1,944,000	23,464
Total	\$ 21,882,224	\$ 4,960,962

Lease Payable

The District has acquired 35 vehicles under the provisions of a lease agreement to lease the vehicles for 48 months, and the lease payable was paid off in the current fiscal year.

Changes in long-term liabilities for the year ended June 30, 2025 are as follows:

	Balance July 01, 2024	Additions	Deductions	Balance June 30, 2025	Due Within One Year
General obligation bonds	\$ 13,025,000	\$ -	\$ (6,250,000)	\$ 6,775,000	\$ 6,775,000
Unamortized premium	1,418,464	-	(709,231)	709,233	-
Financed purchase	22,864,404	-	(982,180)	21,882,224	1,057,696
Leases payable	32,130	-	(32,130)	-	-
Compensated absences*	2,926,026	-	(148,026)	2,778,000	742,413
Net pension liability	43,966,604	-	(4,825,322)	39,141,282	-
Net OPEB liability	35,445	-	(29,126)	6,319	-
Total	\$ 84,268,073	\$ -	\$ (12,976,015)	\$ 71,292,058	\$ 8,575,109

* - The Change in compensated absences above is a net change for the year.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Arizona School Risk Retention Trust, Inc (ASRRT), together with other school districts in the state. ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for member school districts. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For employee health and dental insurance the District participates in the Kairos Health Arizona. The trust is a public entity risk-sharing and insurance purchasing pool. If the pool becomes either insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the District may be assessed an additional amount not to exceed the original required annual contribution to the pool.

The District is a member of the Arizona School Alliance for Workers' Compensation, Inc. (the Alliance). The Alliance was established in 1996 and is structured as a self-insurance pool that is owned and governed by its members. The agreement provides that the Alliance will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior fiscal years.

NOTE 9 – CONTINGENT LIABILITIES

Federal grants - In the normal course of operations, the District receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed by District officials to be material.

Litigation - Each year the District receives notices of claims for damages occurring generally from negligence, bodily injury, breach of contract, and other legal matters. The filing of such claims commences a statutory period for initiating a lawsuit against the District arising therefrom. The District has comprehensive general liability insurance with the ASRRT. The District is not aware of any litigation that might result in a materially adverse outcome.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS

Cost Sharing Pension Plan

At June 30, 2025, the District reported the following related to pension and OPEB plans to which it contributes:

	Cost-sharing pension plan	Cost-sharing OPEB plan	Total
Net (assets)	\$ -	\$ 1,457,882	\$ 1,457,882
Net pension liability	39,141,282	6,319	39,147,601
Deferred outflows of resource:	6,306,016	272,207	6,578,223
Deferred inflows of resources	6,511,132	547,611	7,058,743
Pension expense	(292,904)	(147,892)	(440,796)

Arizona State Retirement System

Plan Description

District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit (OPEB); and a cost-sharing, multiple-employer defined benefit long- term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2, and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Benefits Provided

The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

**With actuarially reduced benefits.*

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Benefits Provided (Continued)

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

Contributions

In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, statute required active ASRS members to contribute at the actuarially determined rate of 12.27% (12.12% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.27% (12.05% for retirement, 0.07% for health insurance premium benefit, and 0.15% for long-term disability) of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.19% (10.14% for retirement and 0.05% for long-term disability) of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill.

The District's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2025, were \$4,121,186, \$23,941, and \$49,189, respectively.

During fiscal year 2025, the District paid for pension and OPEB contributions as follows: 80% from the General Fund, 9% from the Classroom Site Fund, 8% from the Special Projects Fund, and 3% from nonmajor governments funds.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Liability

On June 30, 2025, the District reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability:

	Net (Assets) Liability
Pension	\$ 39,141,282
Health insurance premium benefit	(1,457,882)
Long-term disability	<u>6,319</u>
Total Pension/OPEB (Assets) Liability	<u>\$ 37,689,719</u>

The net asset and net liabilities were measured as of June 30, 2024. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

	District % Proportion June 30, 2024	Increase (Decrease) from June 30, 2023
Pension	0.24461%	-0.02710%
Health insurance premium benefit	0.24128%	-0.02822%
Long-term disability	0.24239%	-0.02811%

Expense

For the year ended June 30, 2025, the District recognized the following pension and OPEB expense:

	Pension/OPEB Expense
Pension	\$ (292,904)
Health insurance premium benefit	(176,911)
Long-term disability	<u>29,019</u>
Total Pension/OPEB expense:	<u>\$ (440,796)</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Deferred Outflows/Inflows of Resources

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
Differences between expected and actual experience	\$ 2,184,830	\$ 42,189	\$ 23,233
Changes of assumptions or other inputs	-	-	4,572
Changes in proportion and differences between contributions and proportionate share of contributions	-	120,961	8,122
Contributions subsequent to the measurement date	4,121,186	23,941	49,189
Total	<u>\$ 6,306,016</u>	<u>\$ 187,091</u>	<u>\$ 85,116</u>

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
Differences between expected and actual experience	\$ -	\$ 352,022	\$ 16,827
Changes of assumptions or other inputs	-	15,122	37,827
Net difference between projected and actual earnings on pension plan investments	2,499,599	100,215	6,901
Changes in proportion and differences between contributions and proportionate share of contributions	4,011,533	1,382	17,315
Total	<u>\$ 6,511,132</u>	<u>\$ 468,741</u>	<u>\$ 78,870</u>

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized in expenses as follows:

Year Ending June 30:	Deferred Outflows (Inflows) of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
2025	(3,769,353)	(239,168)	\$ (10,546)
2026	534,488	(29,928)	(1,369)
2027	(632,731)	(31,502)	(11,289)
2028	(458,706)	(6,797)	(11,613)
2029	-	1,804	(6,399)
Thereafter	-	-	(1,727)
Total	<u>\$ (4,326,302)</u>	<u>\$ (305,591)</u>	<u>\$ (42,943)</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

	Pensions	Health Insurance Premium Benefit	Long-Term Disability
Actuarial valuation date	June 30, 2023	June 30, 2023	June 30, 2023
Actuarial roll forward date	June 30, 2024	June 30, 2024	June 30, 2024
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Investment rate of return	7.0%	7.0%	7.0%
Projected salary increases	2.9-8.4%	Not applicable	Not applicable
Inflation rate	2.3%	2.3%	2.3%
Permanent base increases	Included	Not applicable	Not applicable
Mortality rates	2017 SRA Scale U-MP	2017 SRA Scale U-MP	Not applicable
Recovery rates	Not applicable	Not applicable	2012 GLDT

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48%
Credit	23%	4.40%
Real estate	17%	6.06%
Private equity	10%	6.11%
Interest rate sensitive	6%	-0.45%
Total	100%	

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2025**

**NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
 (CONTINUED)**

Arizona State Retirement System (Continued)

Discount Rate

At June 30, 2024, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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

The following table presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	Proportionate share of the net liability (asset)		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Pension	\$ 59,933,307	\$ 39,141,282	\$ 21,812,945
Health insurance premium benefi	(1,059,870)	(1,457,882)	(1,796,271)
Long-term disability	21,741	6,319	(8,852)

Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report.

Contributions Payable

The District’s accrued payroll and employee benefits included \$204,186 of outstanding pension and OPEB contributions payable to ASRS for the year ended June 30, 2025.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 – RESTATEMENTS OF BEGINNING BALANCES

Compensated Absence - During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time and sick leave for employees with seven or more years of consecutive services owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement - GASB 101 implementation” column in the table below.

The effects of the matters noted above resulted in restatements of beginning net position and fund balances as follows:

	Net position/fund balance June 30, 2024 as previously reported	Restatement - GASB 101 Implementation	Net position/fund balance July 1, 2024 as restated
Government-Wide			
Governmental Activities	\$ 62,301,209	\$ (1,692,273)	\$ 60,608,936
Total Primary Government	<u>\$ 62,301,209</u>	<u>\$ (1,692,273)</u>	<u>\$ 60,608,936</u>

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A**

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS
COST-SHARING PENSION PLAN
JUNE 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Proportion of the net pension liability	0.27171%	0.27171%	0.29601%	0.31334%	0.30194%	0.28631%	0.27247%	0.26133%	0.26311%	0.28145%
Proportionate share of the net pension liability	\$ 39,141,282	\$ 43,966,604	\$ 48,315,406	\$ 41,171,485	\$ 52,315,695	\$ 41,661,436	\$ 37,999,976	\$ 40,710,120	\$ 42,468,597	\$ 43,839,497
Covered payroll	\$ 37,135,241	\$ 37,501,614	\$ 36,733,281	\$ 36,397,292	\$ 34,044,485	\$ 31,012,695	\$ 27,454,692	\$ 25,961,734	\$ 25,439,545	\$ 26,706,359
Proportionate share of the net pension liability as a percentage of its covered payroll	105.40%	117.24%	131.53%	113.12%	153.67%	134.34%	138.41%	156.81%	166.94%	164.15%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

SCHEDULE OF CONTRIBUTIONS

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 4,121,186	\$ 4,067,527	\$ 4,206,008	\$ 4,231,693	\$ 4,095,118	\$ 3,765,262	\$ 3,391,547	\$ 2,956,313	\$ 2,674,194	\$ 2,622,305
Contributions in relation to the actuarially determined contribution	4,121,186	4,067,527	4,206,008	4,231,693	4,095,118	3,765,262	3,391,547	2,956,313	2,674,194	2,622,305
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 38,840,046	\$ 37,135,241	\$ 37,501,614	\$ 36,733,281	\$ 36,397,292	\$ 34,044,485	\$ 31,012,695	\$ 27,454,692	\$ 25,961,734	\$ 25,439,545
Contributions as a percentage of covered payroll	10.61%	10.95%	11.22%	11.52%	11.25%	11.06%	10.94%	10.77%	10.30%	10.31%

See accompanying Notes to Required Supplementary Information

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances -</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final to Actual</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ 17,161,124	\$ 17,161,124
Intergovernmental	-	-	36,885,100	36,885,100
Tuition	-	-	-	-
Investment earnings	-	-	23,136	23,136
Other	-	-	11,868	11,868
Total Revenues	-	-	54,081,228	54,081,228
EXPENDITURES				
Regular education:				
Instruction	25,518,895	25,042,364	18,152,520	6,889,844
Support services - students	3,037,717	3,311,622	3,368,285	(56,663)
Support services - instructional staff	2,697,686	2,670,911	2,388,615	282,296
Support services - general administrative	1,393,985	1,530,173	1,466,992	63,181
Support services - school administration	3,885,627	3,838,985	4,093,603	(254,618)
Support services - central services	1,568,399	1,525,016	1,369,319	155,697
Operations and maintenance of plant	7,521,182	8,842,047	9,087,615	(245,568)
Operation of noninstructional services	95,024	115,354	128,922	(13,568)
School-sponsored cocurricular activities	39,450	83,977	39,431	44,546
School-sponsored athletics	603,728	730,352	591,050	139,302
Other programs	-	-	34,613	(34,613)
Total regular education	46,361,693	47,690,801	40,720,965	6,969,836
Special education:				
Instruction	7,268,749	7,249,034	6,180,590	1,068,444
Support services - students	4,489,450	3,367,113	3,051,818	315,295
Support services - instructional staff	878,508	736,002	896,676	(160,674)
Support services - school administration	163,414	141,372	161,321	(19,949)
Support services - central services	-	100	3,124	(3,024)
Operations and maintenance of plant	-	-	140	(140)
Total special education	12,800,121	11,493,621	10,293,669	1,199,952
Pupil transportation:				
Student transportation services	4,055,389	4,187,966	4,550,711	(362,745)
Dropout prevention program:	77,620	62,000	79,989	(17,989)
K-3 reading program:				
Instruction	357,525	383,883	339,008	44,875
Total Expenditures	63,652,348	63,818,271	55,984,342	7,833,929
Excess (Deficiency) of Revenues Over Expenditures	(63,652,348)	(63,818,271)	(1,903,114)	61,915,157
Fund Balance - Beginning	-	-	11,425,273	11,425,273
Decrease in inventories	-	-	15,446	15,446
Fund Balance - Ending	\$(63,652,348)	\$(63,818,271)	\$ 8,415,794	\$ 72,234,065

See accompanying Notes to Required Supplementary Information

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL CLASSROOM SITE FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Final to
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 6,545,627	\$ 6,545,627
Investment earnings	-	-	372,063	372,063
Total Revenues	-	-	6,917,690	6,917,690
EXPENDITURES				
Regular education:				
Instruction	8,365,739	10,547,322	3,051,569	7,495,753
Total regular education	8,365,739	10,547,322	3,051,569	7,495,753
Special education:				
Instruction	2,609,772	3,290,338	951,966	2,338,372
Total Expenditures	10,975,511	13,837,660	4,003,535	9,834,125
Excess (Deficiency) of Revenues Over Expenditures	(10,975,511)	(13,837,660)	2,914,155	16,751,815
NET CHANGE IN FUND BALANCE	(10,975,511)	(13,837,660)	2,914,155	16,751,815
Fund Balance - Beginning	-	-	7,292,033	7,292,033
Fund Balance - Ending	\$(10,975,511)	\$(13,837,660)	\$ 10,206,188	\$ 24,043,848

See accompanying Notes to Required Supplementary Information

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Final to
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 11,630,537	\$ 11,630,537
Other	-	-	20	20
Total Revenues	-	-	11,630,557	11,630,557
EXPENDITURES				
Regular education:				
Instruction	403,036	403,036	405,798	(2,762)
Support services - students	213,368	213,368	214,831	(1,463)
Support services - instructional staff	268,023	268,023	269,860	(1,837)
Support services - school administration	13,493	13,493	13,585	(92)
Support services - central services	69,781	69,781	70,259	(478)
Operation of noninstructional services	93,641	93,641	94,283	(642)
Total regular education	1,061,342	1,061,342	1,068,616	(7,274)
Special education:				
Instruction	2,428,219	2,428,219	2,444,864	(16,645)
Support services - students	914,444	914,444	920,712	(6,268)
Support services - instructional staff	914,363	914,363	920,631	(6,268)
Support services - central services	14,610	14,610	14,710	(100)
Total special education	4,271,636	4,271,636	4,300,917	(29,281)
Pupil transportation:				
Student transportation services	521	521	525	(4)
Capital outlay				
Facilities acquisition	5,961,166	5,961,166	6,002,028	(40,862)
Total Expenditures	11,294,665	11,294,665	11,372,086	(77,421)
Excess (Deficiency) of Revenues Over Expenditures	(11,294,665)	(11,294,665)	258,471	11,553,136
Other Financing Sources (Uses):				
Transfers out	-	-	(222,273)	(222,273)
Net Financing Sources (Uses)	-	-	(222,273)	(222,273)
NET CHANGE IN FUND BALANCE	(11,294,665)	(11,294,665)	36,198	11,330,863
Fund Balance - Beginning	-	-	499,365	499,365
Fund Balance - Ending	\$(11,294,665)	\$(11,294,665)	\$ 535,563	\$ 11,830,228

See accompanying Notes to Required Supplementary Information

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

NOTE 1 – AVAILABILITY OF OPEB INFORMATION

Information related to the District’s OPEB was not presented as amounts were insignificant.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The District’s adopted budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, with the following exception:

- 1) The General Fund as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances includes the District’s Maintenance and Operation Fund in addition to several other District funds as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*; however, for budgetary purposes, the District prepares a separate Maintenance and Operation Fund budget.

The following adjustments are necessary to present actual revenues, expenditures, other financing sources and uses, beginning fund balance and ending fund balance on a budgetary basis in order to present only the activity of the District’s Maintenance and Operation Fund for budgetary purposes.

	General Fund				
	Total	Total	Other	Fund balance	Fund balance
	Revenues	Expenditures	Financing Sources and Uses	beginning of year	end of year
Statement of revenues, expenditures and changes in fund balance	\$ 64,399,156	\$ 63,775,933	\$ (885,317)	\$ 25,481,866	\$ 25,219,772
Non-maintenance and operation activity included in the General Fund	(10,317,928)	(7,791,591)	(221,048)	(14,056,593)	(16,803,978)
Schedule of revenues, expenditures, and changes in fund balance - budget to actual	\$ 54,081,228	\$ 55,984,342	\$ (1,106,365)	\$ 11,425,273	\$ 8,415,794

**STATISTICAL SECTION
(UNAUDITED)**

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 ENROLLMENT
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Average Daily Membership (ADM) 100-Day Count	
Fiscal Year Ended	
June 30	ADM
2025	6,521
2024	6,741
2023	6,605
2022	6,520
2021	6,075
2020	6,522
2019	6,515
2018	6,398
2017	6,390
2016	6,352

The District's 100-day ADM for the year ending June 30, 2025, was 6,521 students. The District has 28 principals and administrators, 53 specialists, 330 certified teachers, and 350 classified support personnel. This creates an overall student to teacher ratio of 20:1

Source: Arizona Department of Education ADM20 report for attendance and SDER30 for employee data.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
PROPERTY VALUATIONS
JUNE 30, 2025
(UNAUDITED)**

Property Valuations

The following table lists the various property valuations for the District for fiscal year 2024-25. As used herein, "Estimated Net Full Cash Value" is the Full Cash Value net of the estimated Full Cash Value of property exempt from taxation.

Property Valuations for Fiscal Year 2024-25	
Estimated Net Full Cash Value	\$ 8,932,016,986
Net Assessed Full Cash Value	1,058,025,746
Net Assessed Limited Property Value	639,417,704

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NET ASSESSED VALUATION BY PROPERTY CLASSIFICATION
JUNE 30, 2025
(UNAUDITED)

Net Assessed Limited Property Values by Property Classification
Fiscal Year 2024-25

Legal Class	Description	Net Assessed Limited Property Value	Percent of Total
1	Commercial, industrial, utilities & mines	\$ 214,032,310	33.47%
2	Agricultural and vacant	85,876,179	13.43%
3	Residential (owner occupied)	244,887,021	38.30%
4	Residential (rental occupied)	89,179,129	13.95%
5	Railroad	5,394,268	0.84%
6	Historical & Environmental	46,361	0.01%
9	Railroad	2,436	0.00%
Totals		\$ 639,417,704	100.00%

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NET ASSESSED PROPERTY VALUES OF MAJOR TAXPAYERS
JUNE 30, 2025
(UNAUDITED)

Net Assessed Property Values of Major Taxpayers
Fiscal Year 2024-25

Description	Net Assessed Limited Property Value	Percentage of Total Net Assessed Limited Property Value
UNISOURCE ENERGY CORPORATION	\$ 39,515,940	6.18%
MOHAVE COUNTY WIND, LLC	11,487,200	1.80%
GRIFFITH ENERGY LLC (GRIFFTH-KINGMAN)	8,377,440	1.31%
TRANSWESTERN PIPELINE COMPANY LLC	4,894,209	0.77%
ALLO ARIZONA, LLC DBA ALLO COMMUNICATION	4,853,932	0.76%
TIPPMAN REALTY PARTNERS LLC	4,420,227	0.69%
BNSF RAILWAY COMPANY	4,317,009	0.68%
HUALAPAI VALLEY FARM LLC	3,922,828	0.61%
CITIZEN'S RURAL DIVISION	2,879,422	0.45%
NUCOR STEEL KINGMAN LLC	2,869,169	0.45%
Totals	\$ 87,537,376	13.69%

Source: Mohave County Treasurer's Office.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEAR ENDING JUNE 30, 2025, AND FOUR YEARS PRIOR
MODIFIED ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)**

<u>Fiscal Year Ended June 30</u>	<u>Current Collections</u>		<u>Percentage of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Collections</u>	<u>Collections as a Percentage of the Levy</u>
	<u>Taxes Levied for the Fiscal Year</u>	<u>Amount</u>				
2025	\$ 25,924,244	\$ 24,918,527	96.12%	-	24,918,527	96.12%
2024	28,270,927	27,252,905	96.40%	933,448	28,186,353	99.70%
2023	25,374,456	24,450,831	96.04%	856,199	25,307,030	99.73%
2022	24,597,942	23,541,607	95.71%	989,011	24,530,618	99.73%
2021	22,924,648	22,045,798	96.17%	832,355	22,878,153	99.80%

Source: Mohave County Treasurer's records and District records.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
TAX RATE DATE
FISCAL YEAR ENDING JUNE 30, 2025, AND FOUR YEARS PRIOR
(UNAUDITED)

<u>Fiscal Year Ended June 30</u>	<u>Current Collections</u>		<u>Total</u>
	<u>Primary</u>	<u>Secondary</u>	
2025	3.6379	1.0494	4.6873
2024	4.1732	1.1010	5.2742
2023	3.8652	1.1414	5.0066
2022	3.9984	1.2402	5.2386
2021	3.8776	1.3883	5.2659

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and Mohave County Department of Finance.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 GENERAL OBLIGATION BONDED DEBT OUTSTANDING
 JUNE 30, 2025
 (UNAUDITED)**

<u>Issue/Series</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Remaining Maturity Dates</u>	<u>Balance Outstanding June 30, 2024</u>	<u>Due Within One Year</u>
Refunding Bonds, Series 2016	\$ 40,805,000	2.0-5.0%	7/1/25-26	\$ 6,775,000	\$ 6,775,000

Source: The District's financial records.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
DEBT LIMITATION
JUNE 30, 2025
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed value	\$ 1,058,025,746
	<u>30%</u>
Debt limit (30% of assessed value)	317,407,724
Less: Net debt applicable to limit	<u>(6,775,000)</u>
Legal debt margin	<u>\$ 310,632,724</u>

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed value	\$ 1,058,025,746
	<u>20%</u>
Debt limit (20% of assessed value)	211,605,149
Less: Net debt applicable to limit	<u>(6,775,000)</u>
Legal debt margin	<u>\$ 204,830,149</u>

Source: The District's financial records and State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT RATIOS
 JUNE 30, 2025
 (UNAUDITED)**

	Per Capital Net Debt Pop. Est.	Net Assessed Limited Property Value	Estimated Full Limited Property Cash Value
	<u>35,562</u>	<u>\$639,417,704</u>	<u>\$8,932,016,986</u>
Net Direct General Obligation Bonded Debt (\$6,775,000) \$	190.51	1.06%	0.08%
Net Direct and Overlapping General Obligation Bonded Debt (\$6,775,000) \$	190.51	1.06%	0.08%



Governing Board
Kingman Unified School District No. 20
Kingman, Arizona

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20 (District) for the year ended June 30, 2025, and have issued our report thereon dated January 27, 2026. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards* as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated August 25, 2025, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Kingman Unified School District No. 20 solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you. We have provided our findings regarding significant control deficiencies over financial reporting and material weaknesses, material noncompliance, and other matters noted during our audit in a separate letter to you dated January 27, 2026. We did not identify or report any material weaknesses or significant deficiencies.

Planned Scope and Timing of the Audit

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

Compliance with All Ethics Requirements Regarding Independence

The engagement team and our firm have complied with all relevant ethical requirements regarding independence.



Significant Risks Identified

We have identified the following significant risks: 1) Risk of revenue being recognized and recorded in the proper period as well as for fraud risk concerns, 2) Risk is the accounting estimate related to useful lives of capital assets and related depreciation methods, 3) Risk of improperly recorded year-end activity, including those transactions within the encumbrance period, and 4) Risk of improperly reconciled cash balances with the county treasurer. 5) Risk of the compensated absences being improperly recorded in accordance with GASB Statement No. 101, *Compensated Absences*.

These significant risks have been identified and related test work was performed over these areas on a risk-based audit approach.

Qualitative Aspects of the Entity's Significant Accounting Practices

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Kingman Unified School District No. 20 are described in Note 1 to the financial statements. During the current fiscal year, the District implemented the effects of GASB Statement No. 101, *Compensated Absences*, and GASB Statement No. 102, *Certain Risk Disclosures*. The effects of the implementation GASB Statement No. 101, *Compensated Absences*, can be found within the footnotes of the basic financial statements. The effects of GASB Statement No. 102, *Certain Risk Disclosures*, did not have an effect on the District's financial statements.

We noted no transactions entered into by Kingman Unified School District No. 20 during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful lives of capital assets is based on an analysis of the assets' condition and the District's previous experience. We evaluated the key factors and assumptions used to develop the useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the percentage of accumulated sick/personal leave that will be used in future periods as opposed to the percentage of accumulated sick/personal leave that will be paid out upon separation from the District. We evaluated the key factors and assumptions used to develop the percentages in determining that they are reasonable in relation to the compensated absences balance and the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most significant disclosure presented within the financial statements was related to the restatement of fund balances and net position due to the implementation of GASB Statement No. 101, *Compensated Absences*, as well as the correction of an error within the prior year financial statements. The effects of these restatements can be found in Note 12. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected Misstatements

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

We noted no uncorrected misstatements during the current fiscal year.

Corrected Misstatements

In addition, professional standards require us to communicate to you all material and corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material audit adjustments were brought to management's attention, and management agreed with them:

- Material audit adjustments were necessary to convert the District's accounting records from the cash basis of accounting to the modified accrual basis of accounting for governmental funds. Additionally, conversion entries were recorded by the auditors to convert the modified accrual basis of accounting governmental funds to the government-wide financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representation

We will request certain representations from management that are to be included in the management representation letter dated the date of the finalized audit report.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves the application of an accounting principle to Kingman Unified School District No. 20's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Kingman Unified School District No. 20's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

Restriction on Use

This information is intended solely for the information and use of the governing board and management of Kingman Unified School District No. 20 and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Advisent Assurance, LLP

January 27, 2026
Mesa, Arizona



KINGMAN UNIFIED SCHOOL
DISTRICT NO. 20

SINGLE AUDIT REPORT

Fiscal Year Ended June 30, 2025

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SINGLE AUDIT REPORT
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2025**

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**INDEPENDENT AUDITORS' 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**

Governing Board of
Kingman Unified School District No. 20
Kingman, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20 (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2026.

Report on Internal Control over Financial Reporting

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

A deficiency in internal 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant deficiencies. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001, that we consider to be a material weakness.



Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit that are presented in its corrective action. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON
INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS AS REQUIRED BY THE UNIFORM GUIDANCE**

Governing Board of
Kingman Unified School District No. 20
Kingman, Arizona

Report on Compliance for Each Major Federal Program

We have audited Kingman Unified School District No. 20.'s (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2025.



Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated January 27, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026



**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Assistance Listing Number	Additional Award Identification (Optional)	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture:					
<i>Passed through The Arizona Department of Education:</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553		ADE E009-0001	\$ 580,329	\$ -
National School Lunch Program	10.555		ADE E009-0001	2,368,682	-
Commodities - Food Distribution Noncash	10.555		ADE E009-0001	207,213	-
Summer Food Service Program	10.559		ADE E009-0001	48,469	-
Subtotal Child Nutrition Cluster				<u>3,204,693</u>	-
Total U. S. Department of Agriculture				<u>3,204,693</u>	-
U.S. Department of Education:					
<i>Passed through the Arizona Department of Education:</i>					
Title I - LEAs	84.010		25FT1TTI-511361-01A	2,329,634	-
Systemic School Improvement Grant	84.010		24FSSIG-411361-01A	101,652	-
Title I-D Delinquent LEA	84.010		25FLCCCL-511361-02A	53,713	-
Special Education Cluster (IDEA):					
IDEA Basic Grant Entitlement	84.027A		25ICSGBA-511361-01A	1,846,377	-
IDEA Preschool	84.173A		25ICSGPR-511361-01A	34,880	-
Subtotal Special Education Cluster (IDEA)				<u>1,881,257</u>	-
Career and Technical Education - Vocational Education	84.048		25FCTDBG-511361-08A	217,987	-
Twenty-First Century Community Learning Centers	84.287		25FCCLC3-511361-16C	163,208	-
Rural and Low-Income Schools	84.358		25FTIRLC-511361-04A	146,344	-
English Language Acquisition State Grant	84.365		25FELLEP-511361-10A	2,642	-
Title II - Improving Teacher Quality	84.367		25FT1TII-511361-03A	190,102	-
Student Support & Academic Enrichment	84.424		25FT4TIV-511361-01A	53,668	-
ARP - Homeless II Entitlement	84.425W	COVID-19	22FAHII-211361-01A	15,049	-
Education Stabilization Fund - ESSER III	84.425U	COVID-19	21FESIII-111361-01A	6,004,813	-
Subtotal Education Stabilization Fund				<u>6,019,862</u>	-
Total U. S. Department of Education				<u>11,160,069</u>	-
U.S. Department of Health and Human Services:					
<i>Passed through the Arizona Department of Education:</i>					
Child Care Development Block Grant	93.354		25FASNWE-511361-01A	16,999	-
Total U. S. Department of Health and Human Services				<u>16,999</u>	-
Total Federal Expenditures				<u>\$ 14,381,761</u>	<u>\$ -</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the District's federal grant activity for the year ended June 30, 2025. 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).

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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 - FEDERAL ASSISTANCE LISTING NUMBERS

The program titles and federal assistance numbers were obtained from the federal or pass-through grantor.

NOTE 4 - NON-CASH ASSISTANCE

Food donations as reported for the Child Nutrition Cluster represents the amount of donated food used during the fiscal year ended June 30, 2025. Commodities are valued at fair value at the time of donation.

NOTE 5 - INDIRECT COST RATE

The District did not elect to use the de minimis indirect cost rate as covered in 2 CFR §200.414.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FISCAL YEAR ENDED JUNE 30, 2025**

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	<u>No</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>Yes</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None noted</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None noted</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>No</u>

Identification of major programs:

<u>Federal Assistance Numbers</u>	<u>Name of Federal Program of Cluster</u>
<u>84.027, 84.173</u>	<u>Special Education Cluster</u>
<u>84.425U, 84.425W</u>	<u>Education Stabilization Fund - COVID-19</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS

2025-001 RECONCILING CASH WITH THE COUNTY TREASURER

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Repeat Finding: Same as finding 2024-001.

Condition: According to generally accepted accounting principles (GAAP), District management is responsible for establishing and maintaining internal controls over financial reporting, to include controls over the District's accounting records and general ledger transactions. These internal control procedures should include a process to properly reconcile cash held with the county treasurer monthly. These reconciliations should identify and resolve reconciling items. The District should also ensure cash reconciliations are reviewed and approved by someone other than the preparer. These reconciliations should be prepared in a timely manner.

Context: Cash balances were not reconciled by individual treasurer funds which could include reconciling items between District funds. The reconciliations provided were not always reviewed and approved by someone other than the preparer.

Criteria: Generally accepted accounting principles (GAAP), the Uniform System of Financial Records (USFR), and internal control procedures.

Effect: Noncompliance with the USFR, or errors in financial reporting from unidentified cash reconciling items could go uncorrected that would lead to material weaknesses within the financial statements.

Cause: Management oversight and a change in management.

Recommendation: To strengthen internal controls, the District should evaluate its cash reconciliation processes to more easily identify those items that need to be corrected within the District's general ledger when compared to the county treasurer. Old reconciling items should be identified as corrected and removed from the reconciliation or should be corrected accordingly. In addition, a process should be implemented to easily identify treasurer transfers that have been posted within the District's ledger, but need to be posted at the treasurer, since all expenditure activity is accounted for within the District's operating account at the treasurer.

Cash reconciliations should also be reviewed and approved by someone other than the preparer.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SUMMARY SCHEDULE ON PRIOR YEAR FINDINGS

Finding 2024-001 Reconciling Cash with the County Treasurer

Finding Type: Material Weakness, Noncompliance

CONDITION

Cash balances were not reconciled by individual treasurer funds which could include reconciling items between District funds. The reconciliations provided were not always reviewed and approved by someone other than the preparer.

Status: Not corrected, similar to current year finding 2025-001.

**KINGMAN UNIFIED SCHOOL DISTRICT NO.
20
KINGMAN, ARIZONA**

**ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2025**



**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
KINGMAN, ARIZONA
ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025**

Issued by:

Business and Finance Department

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Governing Board
Kingman Unified School District No. 20
Kingman, Arizona

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20 (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20, as of June 30, 2025, 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matters

As discussed in Note 6 and 10 to the basic financial statements, for the year ended June 30, 2025, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, Compensated Absences. Our opinions are not modified with respect to this matter.

As discussed in Note 10 to the financial statements, the District restated beginning fund balances of its financial statements for the year ended June 30, 2025, to correct an error in its previously issued financial statements. Our opinions are not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

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

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

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

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

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual financial report. The other information is comprised of the statistical sections but does not include the financial statements and our auditors’ report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2026, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

As management of the Kingman Unified School District No. 20 (District), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$82.0 million (net position). The District's total net position increased by \$21.4 million.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$45.6 million, an increase of \$3.1 million in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25.2 million, or 39% of total General Fund expenditures.
- The District's net capital assets increased \$5.9 million due to capital additions exceeding depreciation expenses.
- The District's long-term liabilities decreased \$13.0 million or 15% due to a decrease in the pension liability and decrease in bonds and lease payable due to the current year's principal payments on the District's bonds and leases.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes to net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but, unused vacation leave).

The government-wide financial statements distinguish functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District are for public education.

The government-wide financial statements can be found immediately following this MD&A.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All the funds of the District are classified as governmental funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains nine individual governmental funds. Information is presented separately in the governmental fund *Balance Sheet* and in the governmental fund *Statement of Revenues, Expenditures, and Changes in Fund Balances* for the General Fund, Classroom Site Fund, and Special Projects Fund, which are considered to be major funds. Data from the other six governmental funds are combined into a single aggregated presentation.

An operating budget for expenditures is prepared, and adopted by the District each fiscal year for the General, Special Revenue, Debt Service, and Capital Projects Funds. Budgetary control is ultimately exercised at the fund level. Budgetary control is maintained through the use of periodic reports that compare actual expenditures against budgeted amounts. The expenditure budget can be revised annually, per Arizona Revised Statutes. The District also maintains an encumbrance accounting system as one technique of maintaining budgetary control. Encumbered amounts lapse at year-end. An annual budget of revenue from all sources is not prepared.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

The basic governmental fund financial statements can be found on pages 20 – 23 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 25 – 43 of this report.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Required Supplementary Information Other than MD&A

The District reports a multi-year schedule of the District's proportionate share of net pension liability on page 45.

Governments have the option of presenting the General Fund and major special revenue budgetary statements as part of the basic financial statements or as required supplementary information (RSI) other than the MD&A. The District has elected to present the General Fund, Classroom Site Fund, and Special Projects Fund budgetary comparison schedules as RSI other than the MD&A which can be found on pages 46 - 48. Notes to the RSI are presented after the budgetary comparison schedules on page 49.

Other Information

The statistical section includes selected tax and debt information on a multi-year basis. The statistical section can be found on pages 51 - 59 of this report.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$82.0 million at the close of the most recent fiscal year.

A summary of the District's statement of net position is presented below:

	Governmental Activities		
	2025	(Restated) 2024	Net Change
ASSETS			
Current and other assets	\$ 50,320,168	\$ 47,684,032	\$ 2,636,136
Capital assets	105,666,128	99,782,924	5,883,204
Total Assets	155,986,296	147,466,956	8,519,340
DEFERRED OUTFLOWS	6,578,223	5,322,080	1,256,143
Total Assets and Deferred Outflows	162,564,519	152,789,036	9,775,483
LIABILITIES			
Current liabilities	2,177,848	2,331,541	(153,693)
Long-term liabilities	71,292,058	84,268,073	(12,976,015)
Total Liabilities	73,469,906	86,599,614	(13,129,708)
DEFERRED INFLOWS	7,058,743	5,580,486	1,478,257
Total Liabilities and Deferred Inflows	80,528,649	92,180,100	(11,651,451)
NET POSITION			
Net investment in capital assets	75,718,984	61,892,677	13,826,307
Restricted	21,781,071	18,406,644	3,374,427
Unrestricted	(15,464,185)	(19,690,385)	4,226,200
Total Net Position	\$ 82,035,870	\$ 60,608,936	\$ 21,426,934

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, improvements, vehicles, equipment, and furniture), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the District was able to report positive balances in the investment in capital assets and restricted net position. The District reported a negative balance in unrestricted net position due to the District's reporting of its proportionate share of the net pension/OPEB liability (asset) for its cost-sharing pension plan required under Governmental Accounting Standards Board (GASB) Statement No. 68 and Governmental Accounting Standards Board (GASB) Statement No. 75.

Additional information on the District's net pension/OPEB liabilities can be found in Note 10 of this report.

Overall, net position increased \$21.4 million, or 35%. Key elements of this increase are indicated as follows:

	Governmental Activities		
	2025	2024	Net Change
REVENUES			
Program revenues:			
Charges for services	\$ 2,691,987	\$ 2,027,732	\$ 664,255
Operating grants and contributions	23,066,571	20,631,818	2,434,753
Capital grants and contributions	3,339,823	678,769	2,661,054
General revenues:			
Property taxes	25,765,547	28,262,479	(2,496,932)
State equalization and additional state aid	42,176,683	46,071,323	(3,894,640)
County equalization	11,134	15,533	(4,399)
Interest and other	1,893,215	1,829,787	63,428
Total Revenues	98,944,960	99,517,441	(572,481)
EXPENSES			
Instruction	35,787,108	38,436,388	(2,649,280)
Support Services:			
Students and instructional staff	12,222,338	12,799,376	(577,038)
Administration	8,506,190	9,016,271	(510,081)
Operation and maintenance of plant	11,298,137	10,173,275	1,124,862
Operation of noninstructional services	3,807,907	3,825,395	(17,488)
Student transportation	5,159,674	5,478,981	(319,307)
Interest on long-term debt	736,672	856,445	(119,773)
Total Expenses	77,518,026	80,586,131	(3,068,105)
Change in net position	21,426,934	18,931,310	2,495,624
Net Position - Beginning, As Restated	60,608,936	41,677,626	18,931,310
Net Position - Ending	\$ 82,035,870	\$ 60,608,936	\$ 21,426,934

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Program Revenues

The District reported an increase in charges for services of \$0.7 million which was not considered significant.

Operating grants and contributions increased \$2.4 million (12%) due to an increase in state and federal grant funding.

The increase of \$2.7 million (392%) in capital grants and contributions was related to increased repair and improvement projects from the ADOA's School Facilities Division.

General Revenues

The District experienced a 9% decrease in property tax revenue as a result of a decrease in the tax levy due to decrease in tax rates.

State and county equalization and additional state aid increased \$3.9 million (8%) due to decreases in the state funding formula.

Interest and other income increased \$0.06 million which was not considered significant.

The District's expenses decreased by \$3.1 million (4%) in the current year. The District's mission is to provide an appropriate and outstanding educational experience for every student served within budget constraints. The decrease was mainly due to decreases in other professional services, textbooks and instructional aids, technology supplies, and technology hardware and software. The decreases within these categories were offset by increases in repairs and maintenance and fuel.

FINANCIAL ANALYSIS OF THE GOVERNMENT FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds – The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$45.6 million, an increase of \$3.1 million in comparison with the prior year. Approximately 55% of this total amount (\$25.2 million) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remaining fund balance is restricted to indicate that it is not available for new spending.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT’S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Fund balances as of June 30, 2025, and the changes in fund balances from the prior year are summarized below:

	Balance	Increase (Decrease) From 2023-24
GOVERNMENTAL FUND		
General Fund	\$ 25,219,772	\$ (262,094)
Classroom Site Fund	10,206,188	2,914,155
Special Projects Fund	535,563	36,198
Nonmajor Governmental Funds	9,650,909	429,502
Total Governmental Fund Balances	<u>\$ 45,612,432</u>	<u>\$ 3,117,761</u>

The General Fund continues to experience a positive net change in fund balance. For the fiscal year ended June 30, 2025, the General Fund had a decrease in fund balance of \$0.3 million which was not considered significant.

The increase of \$2.9 million in the Classroom Site Fund was due to revenues exceeding current year spending based on the District’s Classroom Site Fund plan.

The increase of \$0.04 million in the Special Projects Fund was not considered significant.

The increase in the Nonmajor Governmental Funds increased by \$0.4 million due to the increase in instructional improvement funding relative to current year expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget totaled \$0.2 million. In Arizona, school districts build their original “adopted” budget based on a projection of the coming fiscal year’s 100th day average daily attendance. In May, the District is allowed to increase or decrease its budget for differences between expected and actual student growth. The budget increase was allocated among various line items in regular education pupil transportation, and K-3 reading program. There increases in maintenance of plant of \$1.3 million which was offset by decrease in special education - support services – students of \$1.1 million. Budgetary basis General Fund expenditures were \$7.8 million less than budget during the fiscal year. Budgetary basis expenditures were 7.4% less than budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The District’s investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$105.7 million (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, vehicles, furniture, and equipment. The net increase in the District’s investment in capital assets for the current fiscal year was 6%.

Major capital asset events during the current fiscal year included the following projects:

- Roof projects.
- Remodel projects.
- School buses and other District vehicles.
- Technology equipment and upgrades.
- Water heater improvements.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

Capital asset activity as of June 30, 2025, is summarized below:

	Governmental Activities		
	2025	2024	Net Change
CAPITAL ASSETS			
Land	\$ 1,806,063	\$ 1,803,093	\$ 2,970
Construction in progress	-	745,494	(745,494)
Land improvements	2,750,023	2,711,641	38,382
Buildings & improvements	91,638,286	84,785,261	6,853,025
Vehicles, equipment, and furniture	9,471,756	9,705,305	(233,549)
Right-to-use lease assets:			
Vehicles, equipment, and furniture	-	32,130	(32,130)
Total Capital Assets	\$ 105,666,128	\$ 99,782,924	\$ 5,883,204

Additional information on the District's capital assets can be found in Note 5 of this report.

Long-Term Debt

At end of the current fiscal year, the District's debt included compensated absences, finance purchased, leases payable, bonds payable, and the net pension/OPEB liabilities. The District's bonded debt decreased by an amount of \$6.3 million during the current fiscal year. The decrease was due to regularly scheduled principal payments. Compensated absences decreased \$148,026 during the current year. Financed purchases decreased by \$1.0 million due to scheduled principal payments in accordance with the financed purchase agreements. Lease payable decreased by \$32,130 due to scheduled principal payments. The net pension liability decreased \$4.8 million. Changes in the Net Pension/OPEB liabilities can be found in Note 10 to the basic financial statements.

	Governmental Activities		
	2025	(Restated) 2024	Net Change
LONG-TERM LIABILITIES			
General obligation bonds	\$ 6,775,000	\$ 13,025,000	\$ (6,250,000)
Unamortized premium	709,233	1,418,464	(709,231)
Financed purchase	21,882,224	22,864,404	(982,180)
Leases payable	-	32,130	(32,130)
Compensated absences	2,778,000	2,926,026	(148,026)
Net pension liability	39,141,282	43,966,604	(4,825,322)
Net OPEB liability	6,319	35,445	(29,126)
Total Long-term Liabilities	\$ 71,292,058	\$ 84,268,073	\$(12,976,015)

The state constitution limits the amount of total outstanding bonded indebtedness of a unified school district to 30% of its net full cash value. The current constitutional debt limitation for the District is \$317.4 million, which is significantly in excess of the District's outstanding bonded debt.

State statutes limit the borrowing capacity on Class B bonded debt to the greater of \$1,500 per student or 20% of the net full cash valuation. Class B bonds are those bonds authorized at elections held after December 31, 1998. The current Class B bonded legal debt margin for the District is \$211.6 million. As of June 30, 2025, the District was under its legal debt limit for Class B bonds by \$204.8 million.

Additional information on the District's long-term debt can be found in Note 7 of this report.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Changes in Average Daily Membership.
- Inflationary factors and increases in utility and operating costs.
- Federal and State grant funding and related requirements and timelines.

The above factors were considered in preparing the District's budget for the 2025-26 fiscal year.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Business and Finance Department, Kingman Unified School District No. 20, 3033 MacDonald Avenue, Kingman, Arizona 86401 or via the District's website www.kusd.org.

BASIC FINANCIAL STATEMENTS

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities
ASSETS	
Cash and investments	\$ 35,408,402
Property taxes receivable	1,472,422
Intergovernmental receivable	11,664,007
Accounts receivable	170,433
Deposits	25,909
Inventory	121,113
Net OPEB asset	1,457,882
Capital assets, not depreciated	1,806,063
Capital assets, net of accumulated depreciation	<u>103,860,065</u>
Total Assets	<u>155,986,296</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	6,306,016
Deferred outflows related to OPEB	<u>272,207</u>
Total Deferred Outflows of Resources	<u>6,578,223</u>
LIABILITIES	
Accounts payable	1,326,640
Accrued wages and benefits	851,208
Long-term liabilities:	
Due within one year	8,575,109
Due in more than one year	<u>62,716,949</u>
Total Liabilities	<u>73,469,906</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to pensions	6,511,132
Deferred inflows related to OPEB	<u>547,611</u>
Total Deferred Inflows of Resources	<u>7,058,743</u>
NET POSITION	
Net investment in capital assets	75,718,984
Restricted:	
Net OPEB asset	1,457,882
Teacher compensation and other qualified programs (A.R.S. 15-977)	10,206,188
Instructional improvement programs	2,950,629
Federal and state instructional programs	535,563
Food service	1,951,305
Civic center	45,831
Community programs	1,721
Vocational educational programs	1,061,122
Extracurricular activities	322,069
Student activities	619,868
Debt service	1,215,088
Other programs	1,413,805
Unrestricted	<u>(15,464,185)</u>
Total Net Position	<u>\$ 82,035,870</u>

See accompanying Notes to the Basic Financial Statements

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2025

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental Activities:					
Instruction	\$ 35,787,108	\$ 1,141,206	\$ 17,581,313	\$ -	\$ (17,064,589)
Support services:					
Students	7,651,951	531,072	-	-	(7,120,879)
Instructional staff	4,570,387	152,565	2,480,378	-	(1,937,444)
General administration	1,485,049	17,967	2,773,552	-	1,306,470
School administration	3,968,009	61,155	-	-	(3,906,854)
Business and other support services	3,053,132	42,357	41,054	-	(2,969,721)
Operation and maintenance of plant	11,298,137	220,666	184,240	3,339,823	(7,553,408)
Student transportation	5,159,674	65,177	4,855	-	(5,089,642)
Operation of noninstructional services	3,807,907	459,822	1,179	-	(3,346,906)
Interest on long-term debt	736,672	-	-	-	(736,672)
Total	\$ 77,518,026	\$ 2,691,987	\$ 23,066,571	\$ 3,339,823	(48,419,645)
General revenues:					
Property taxes					25,765,547
Grants and contributions not restricted to specific programs:					
State equalization and additional state aid					42,176,683
County equalization					11,134
Investment earnings					1,807,693
Other					85,522
Total general revenues					69,846,579
Change in net position					21,426,934
Net position - beginning					62,301,209
Aggregate amount of adjustments to and restatements fo beginning net position					(1,692,273)
Net position - beginning, as restated					60,608,936
Net position - ending					\$ 82,035,870

See accompanying Notes to the Basic Financial Statements

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 16,515,353	\$ 10,206,193	\$ 165,505	\$ 8,521,351	\$ 35,408,402
Receivables:					
Property taxes	1,115,369	-	-	357,053	1,472,422
Intergovernmental	9,961,188	-	456,369	1,246,450	11,664,007
Accounts receivable	162,477	-	-	7,956	170,433
Deposits	24,244	-	-	1,665	25,909
Inventory	51,642	-	-	69,471	121,113
Total Assets	\$ 27,830,273	\$ 10,206,193	\$ 621,874	\$ 10,203,946	\$ 48,862,286
LIABILITIES					
Accounts payable	\$ 1,043,812	\$ -	\$ 26,590	\$ 256,238	\$ 1,326,640
Accrued wages and benefits	755,164	5	59,721	36,318	851,208
Total Liabilities	1,798,976	5	86,311	292,556	2,177,848
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues	811,525	-	-	260,481	1,072,006
FUND BALANCES					
Nonspendable	51,642	-	-	69,471	121,113
Restricted	-	10,206,188	535,563	9,581,438	20,323,189
Unassigned	25,168,130	-	-	-	25,168,130
Total Fund Balances	25,219,772	10,206,188	535,563	9,650,909	45,612,432
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,830,273	\$ 10,206,193	\$ 621,874	\$ 10,203,946	\$ 48,862,286

See accompanying Notes to the Basic Financial Statements

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2025**

Total Fund Balance - Governmental Funds \$ 45,612,432

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 184,855,041	
Accumulated depreciation	<u>(79,188,913)</u>	105,666,128

Property tax revenue not collected within 60 days subsequent to fiscal year end are reported as deferred inflows of resources in the governmental funds:	1,072,006
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Net OPEB asset:

In governmental funds, postretirement benefits costs are recognized as expenditures in the period they are paid. In the government-wide statements, they are recognized in the period they are incurred. The net OPEB asset at the end of the period was:

1,457,882

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

General obligation bonds	(6,775,000)	
Unamortized premiums	(709,233)	
Financed purchase liability	(21,882,224)	
Net pension liability	(39,141,282)	
Net OPEB liability	(6,319)	
Compensated absences	<u>(2,778,000)</u>	(71,292,058)

Deferred outflows and inflows of resources relating to pensions:

In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported:

Deferred outflows of resources relating to pensions:	6,306,016	
Deferred inflows of resources relating to pensions:	(6,511,132)	
Deferred outflows of resources relating to OPEB ASRS:	272,207	
Deferred inflows of resources relating to OPEB ASRS:	<u>(547,611)</u>	(480,520)

Total Net Position - Governmental Activities		\$ 82,035,870
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KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2025

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	\$ 19,402,531	\$ -	\$ -	\$ 6,693,726	\$ 26,096,257
Intergovernmental	43,252,371	6,545,627	11,630,537	7,088,668	68,517,203
Tuition	418,759	-	-	1,404,453	1,823,212
Charges for services	25,861	-	-	-	25,861
Food sales	-	-	-	14,382	14,382
Auxiliary operations	311,868	-	-	-	311,868
Student activities	-	-	-	516,664	516,664
Contributions and donations	2,702	-	-	74,306	77,008
Investment earnings	950,294	372,063	-	485,336	1,807,693
Other	34,770	-	20	50,732	85,522
Total Revenues	64,399,156	6,917,690	11,630,557	16,328,267	99,275,670
EXPENDITURES					
Current					
Instruction	28,099,563	4,003,535	2,850,662	1,078,492	36,032,252
Support services:					
Students	6,582,983	-	1,135,543	463,915	8,182,441
Instructional staff	3,488,449	-	1,190,491	292,660	4,971,600
General administration	1,473,149	-	-	-	1,473,149
School administration	4,300,252	-	13,585	19,560	4,333,397
Business and other support services	3,098,490	-	84,969	6,350	3,189,809
Operations and maintenance of plant	9,549,875	-	-	107,227	9,657,102
Student transportation	5,269,935	-	525	929	5,271,389
Operations of noninstructional services	163,103	-	94,283	3,665,063	3,922,449
Debt service:					
Principal	399,310	-	-	6,865,000	7,264,310
Interest and fiscal charges	307,194	-	-	1,138,709	1,445,903
Capital outlay:					
Facilities acquisition	1,043,630	-	6,002,028	3,392,102	10,437,760
Total Expenditures	63,775,933	4,003,535	11,372,086	17,030,007	96,181,561
Excess (Deficiency) of Revenues Over Expenditures	623,223	2,914,155	258,471	(701,740)	3,094,109
Other Financing Sources (Uses)					
Transfers in	222,273	-	-	1,123,036	1,345,309
Transfers out	(1,123,036)	-	(222,273)	-	(1,345,309)
Net Financing Sources (Uses)	(900,763)	-	(222,273)	1,123,036	-
NET CHANGE IN FUND BALANCE	(277,540)	2,914,155	36,198	421,296	3,094,109
Fund Balance - Beginning	25,481,866	7,292,033	499,365	9,221,407	42,494,671
Increase/(decrease) in inventories	15,446	-	-	8,206	23,652
Fund Balance - Ending	\$ 25,219,772	\$ 10,206,188	\$ 535,563	\$ 9,650,909	\$ 45,612,432

See accompanying Notes to the Basic Financial Statements

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2025**

Net Change in Fund Balances - Governmental Funds \$ 3,094,109

Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:

In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capital outlay:	\$ 11,385,498	
Depreciation expense:	<u>(5,368,892)</u>	6,016,606

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. (133,402)

Some revenues reported in the governmental funds that did not provide current financial resources in prior years have been recognized previously in the statement of activities and therefore are not reported as revenues in the statement of activities. (330,710)

Property taxes

Governmental funds report pension contributions as expenditures when made. However, in the statement of activities, pension expense is the cost of benefits earned, adjusted for member contributions, the recognition of changes in deferred outflows and inflows of resources related to pensions.

Pension contributions	4,121,186	
Pension expense	292,904	
OPEB contributions	73,130	
OPEB expense	147,892	

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The issuance of long-term debt increases long-term liabilities on the statement of net position and the repayment of principal on long-term debt reduces long-term debt on the statement of net position.

Principal payment on school improvement bonds	6,250,000	
Amortization of bond premium	709,231	
Financed purchase payment	982,180	
Lease payment	32,130	

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

Net decrease (increase) in compensated absences	148,026	
Change in inventories balances	<u>23,652</u>	

Change in Net Position of Governmental Activities \$ 21,426,934

**NOTES TO THE BASIC FINANCIAL
STATEMENTS**

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Kingman Unified School District No. 20 (District) have been prepared in conformity with accounting principles generally accepted in the United States of America applicable to governmental units adopted by the Governmental Accounting Standards Board (GASB). A summary of the District's more significant accounting policies follows. For the year ended June 30, 2025, the District implemented the provisions of GASB Statement No. 101, *Compensated Absences*, which updates the recognition and measurement guidance for compensated absences. The District's financial statements have been modified to reflect the implementation of this new standard.

Reporting Entity

The District is a special-purpose government that a separately elected governing body governs. It is legally separate from and fiscally independent of other state and local governments. Furthermore, there are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements present only the funds of those organizational entities for which its elected governing board is financially accountable.

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 nonfiduciary activities of the primary government. The effect of interfund activity has been removed from these statements. *Governmental activities*, which are normally supported by taxes and intergovernmental revenues are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The District had no business-type activities during the fiscal year.

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 operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting, except expenditures related to compensated absences and claims and judgments, which are recorded only when payment is due. However, since debt service resources are provided during the current year for payment of long-term principal and interest due early in the following year (within one month), the expenditures and related liabilities have been recognized in the Debt Service Fund.

Property taxes, intergovernmental grants and aid, tuition, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

Major Governmental Funds

The *General Fund* is the District's primary operating fund. It accounts for all resources used to finance District maintenance and operation except those required to be accounted for in other funds. For budget purposes, it is described as the Maintenance and Operation Fund by Arizona Revised Statutes (A.R.S.) and is budgeted within five subsections titled regular education programs, special education programs, pupil transportation, dropout prevention, and K-3 reading program.

The *Classroom Site Fund* accounts for the revenues and expenditures of State apportioned educational sales tax monies.

The *Special Projects Fund* accounts for the revenues and expenditures of state and federally funded projects.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

Arizona Revised Statutes (A.R.S.) requires the District to deposit certain cash with the County Treasurer. That cash is pooled for investment purposes, except for cash in the Debt Service and Bond Building Funds, which are invested separately. As required by statute, interest earned by the Bond Building Fund is recorded in the Debt Service Fund.

A.R.S. authorize the District to invest public monies in the State and County Treasurer's investment pools; U.S. Treasury obligations; specified state and local government bonds; and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements in eligible depositories.

Statute authorizes the District to deposit monies of Auxiliary Operations and Student Activities in bank accounts. Monies in these funds may also be invested. In addition, statute authorizes the District to maintain various bank accounts such as clearing accounts to temporarily deposit receipts before they are transmitted to the County Treasurer; revolving accounts to pay minor disbursements; and withholding accounts for taxes, employee insurance programs, and federal savings bonds. Some of these bank accounts may be interest bearing.

Statute does not include any requirements for credit risk, concentration of credit risk, interest rate risk, or foreign currency risk. Statute requires collateral for deposits of monies at 102% of all deposits not covered by federal depository insurance.

The State Board of Investments provides oversight for the State Treasurer's pools, and the Local Government Investment Pool Advisory Committee provides consultation and advice to the Treasurer. The fair value of a participant's position in the pool approximates the value of that participant's pool shares. No comparable oversight is provided for the County Treasurer's investment pool, and that pool's structure does not provide for shares.

Property Taxes Receivables

Mohave County levies real and personal property taxes on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day of October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. However, a lien against real and personal property assessments attaches on the first day of January preceding assessment and levy thereof.

The District does not report a reserve for uncollectible property taxes as they are considered 100 percent collectible due to the County attaching a lien against all amounts past due as noted above.

Intergovernmental Receivable

Intergovernmental receivables are comprised of state equalization (\$9,415,580), instructional improvement (\$252,121), federal grants (\$907,476), school facilities board (\$447,567), and other (\$641,263).

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2025**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Deposits

Deposits in the amount of \$1,665 represents cash deposits with Mohave Educational Services in the food service cooperative and the Trust.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column 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 an estimated useful life in excess of one year.

Property, plant, and equipment purchased or acquired is carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on a straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Land improvements	10-50 years
Building and improvements	5-50 years
Vehicles, equipment, furniture	5-20 years

Deferred Outflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Interfund Receivables and Payables

The District records short-term borrowings as due to and due from other funds. The due to and due from other funds are recorded to eliminate deficit cash balances in individual funds.

Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Compensated Absences (Continued)

Vacation – The District’s policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee’s current pay rate upon separation from employment.

Sick Leave – The District’s policy permits employees to accumulate earned but unused sick leave without limit, but a maximum of 1,800 hour is established for the determination of any payout for unused sick leave. Accumulated sick leave for certified an exempt staff with ten (10) or more consecutive full years with the District shall be paid for their unused sick leave at a rate of \$9 per hour. Certified and exempt staff with less than ten (10) consecutive full years with the District shall be paid for their unused sick leave at a rate of \$5 per hour. Classified, hourly staff with ten (10) or more consecutive full years with the District shall be paid at a rate of \$6.25 per hour. Sick leave for all other employees lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. In the fund financial statements, the issuance of debt is recorded as another financing source. Premiums and discounts are recorded as other financing sources/uses, respectively in the fund financial statements and are recorded net of the debt in the government-wide financial statements and amortized over the life of the bond.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

Pension and Other Postemployment Benefit Plans

For purposes of measuring the net pension and total other postemployment benefit (OPEB) liabilities, related deferred outflows of resources and deferred inflows of resources, and related expenses, information about the pension and OPEB plans’ fiduciary net position and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Net Position

In the government-wide financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. The net investment in capital assets is separately reported because the District's capital assets make up a significant portion of total net position. Restricted net position account for the portion of net position restricted by parties outside the District. Unrestricted net position is the remaining net position not included in the previous two categories.

Fund Balance

Fund balances of the governmental funds are reported separately within classifications based on a hierarchy of the constraints placed on the use of those resources. The classifications are based on the relative strength of the constraints that control how the specific amounts can be spent. The classifications are nonspendable, restricted, committed, assigned, and unassigned fund balance classifications.

The District did not report committed or assigned fund balances during the current year.

Restricted fund balances are those that have externally imposed restrictions on their usage by creditors (such as through debt covenants), grantors, contributors, or laws and regulations. The committed fund balances are self-imposed limitations approved by the District's Governing Board, which is the highest level of decision-making authority within the District. Only the District Governing Board can remove or change the constraints placed on committed fund balances through formal board action at a public meeting. Fund balances must be committed prior to fiscal year-end. Assigned fund balances are resources constrained by the District's intent to be used for specific purposes but are neither restricted nor committed. The District's Governing Board has not authorized any management officials to make assignments of resources for a specific purpose.

The unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not reported in the other classifications. Also, deficits in fund balances of the other governmental funds are reported as unassigned.

The District has not adopted a spending priority policy. When an expenditure is incurred that can be paid from either restricted or unrestricted fund balances, in accordance with GASB 54, the District uses restricted fund balance first. For the disbursement of unrestricted fund balances, the District follows the spending policy described in GASB 54 to use committed amounts first, followed by assigned amounts, and lastly unassigned amounts.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2025**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Deferred Outflows of Resources, liabilities, Deferred Inflows of Resources and Net Position or Equity (Continued)

Fund Balance (Continued)

The District has classified its fund balances as follows:

	General Fund	Classroom Site Fund	Special Projects Fund	Non-Major Governmental Funds	Total Governmental Activities
Nonspendable					
Inventory	\$ 51,642	\$ -	\$ -	\$ 69,471	\$ 121,113
Total nonspendable	51,642	-	-	69,471	121,113
Restricted					
Teacher compensation and other qualified programs (A.R.S. 15-977)	-	10,206,188	-	-	10,206,188
Instructional improvement programs	-	-	-	2,950,629	2,950,629
Federal and state instructional programs	-	-	535,563	-	535,563
Food service	-	-	-	1,951,305	1,951,305
Civic center	-	-	-	45,831	45,831
Community programs	-	-	-	1,721	1,721
Vocational educational programs	-	-	-	1,061,122	1,061,122
Extracurricular activities	-	-	-	322,069	322,069
Student activities	-	-	-	619,868	619,868
Debt service	-	-	-	1,215,088	1,215,088
Other programs	-	-	-	1,413,805	1,413,805
Total restricted	-	10,206,188	535,563	9,581,438	20,323,189
Unassigned	25,168,130	-	-	-	25,168,130
Total	\$ 25,219,772	\$ 10,206,188	\$ 535,563	\$ 9,650,909	\$ 45,612,432

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The District adopts an annual operating budget for expenditures for all governmental fund types on essentially the same modified accrual basis of accounting used to record actual expenditures (See Notes to Required Supplementary Information for exceptions). The Governing Board presents a proposed budget to the Superintendent of Public Instruction and County School Superintendent on or by July 5. The Governing Board legally adopts the final budget by July 15, after a public hearing has been held. Once adopted the budget can be increased or decreased only for specific reasons set forth in the A.R.S. All appropriations lapse at year-end.

Budgetary control over expenditures is exercised at the fund level. However, the General Fund is budgeted within five subsections (see preceding description of General Fund), any of which may be over-expended with the prior approval of the Governing Board at a public meeting, providing the expenditures for all subsections do not exceed the General Fund’s total budget. The dropout prevention program subsection of the General Fund budget was exceeded by \$5,505. This over expenditure was offset by budget capacity in other General Fund subsections.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits and investments at June 30, 2025 consist of the following:

Deposits:	
Cash in bank	\$ 149,046
Investments:	
Cash on deposit with county treasurer	<u>35,259,356</u>
Total deposits and investments	<u>\$ 35,408,402</u>

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that in the event of bank failure, the District’s deposits may not be returned to the District. The District does not have a deposit policy for custodial credit risk. On June 30, 2025, the carrying amount of the District’s deposits was \$146,046, and the bank balance was \$149,046. On June 30, 2025 the entire bank balance was covered by federal depository insurance.

Investments

At June 30, 2025, the District’s investments were reported at fair value. The District’s investments consisted of only cash on deposit with the County Treasurer.

Custodial Credit Risk – The District’s investment in the County Treasurer’s investment pools represents a proportionate interest in those pools’ portfolios; however, the District’s portion is not identified with any specific investment and is not subject to custodial credit risk.

Interest Rate Risk – The District does not have a formal investment policy regarding interest rate risk; however, the District manages its exposure to declines in fair values by limiting the average maturity of its investment portfolio to one year or less.

Credit Risk – The District does not have a formal investment policy regarding credit risk. However, the District is prohibited by state law from investing in investments other than State and County Treasurer’s investment pools, U.S. Treasury obligations, specified state and local government bonds and interest-earning investment contracts such as savings accounts, certificates of deposit, and repurchase agreements. The District’s investment in the County Treasurer’s investment pool did not receive a credit quality rating from a national rating agency.

NOTE 4 – UNAVAILABLE REVENUES

Property taxes are recognized as revenues in the fiscal year they are levied in the government-wide financial statements and represent a reconciling item between the government-wide and fund financial statements. In the fund financial statements property taxes are recognized as revenues in the fiscal year they are levied and collected or if they are collected within 60 days subsequent to fiscal year-end. Property taxes not collected within 60 days subsequent to fiscal year-end or collected in advance of the fiscal year for which they are levied are reported as deferred inflows of resources. Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year the District reported \$811,525 and \$260,481 within the General Fund and Nonmajor Governmental Funds, respectively, for delinquent property taxes that have been earned but not yet received as unavailable revenues.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance July 01, 2024	Additions	Deductions and Adjstments	Balance June 30, 2025
Capital assets not being depreciated				
Land	\$ 1,803,093	\$ 2,970	\$ -	\$ 1,806,063
Construction in progress	745,494	8,678,069	(9,423,563)	-
Total capital assets not being depreciated	<u>2,548,587</u>	<u>8,681,039</u>	<u>(9,423,563)</u>	<u>1,806,063</u>
Capital assets being depreciated				
Land improvements	7,125,148	787,798	-	7,912,946
Buildings and improvements	146,850,795	10,649,811	-	157,500,606
Vehicles, equipment, and furniture	16,890,719	690,413	(480,266)	17,100,866
Right-to-use lease assets:				
Vehicles, equipment, and furniture	534,560	-	-	534,560
Total capital assets being depreciated	<u>171,401,222</u>	<u>12,128,022</u>	<u>(480,266)</u>	<u>183,048,978</u>
Less accumulated depreciation				
Land improvements	(4,413,507)	(749,416)	-	(5,162,923)
Buildings and improvements	(62,065,534)	(3,796,786)	-	(65,862,320)
Vehicles, equipment, and furniture	(7,185,414)	(790,560)	346,864	(7,629,110)
Right-to-use lease assets:				
Vehicles, equipment, and furniture	(502,430)	(32,130)	-	(534,560)
Total accumulated depreciation	<u>(74,166,885)</u>	<u>(5,368,892)</u>	<u>346,864</u>	<u>(79,188,913)</u>
Total capital assets, being depreciated, net	<u>97,234,337</u>	<u>6,759,130</u>	<u>(133,402)</u>	<u>103,860,065</u>
Governmental activities capital assets, net	<u>\$ 99,782,924</u>	<u>\$ 15,440,169</u>	<u>\$ (9,556,965)</u>	<u>\$ 105,666,128</u>

Depreciation/amortization expenses was charged to governmental functions as follows:

Governmental Activities:	
Instruction	\$ 2,463,879
Support Services:	
Students	24,353
Instructional Staff	2,248
General Administration	43,757
School Administration	37,506
Business and Other Support Services	154,138
Operations and Maintenance of Plant	1,758,572
Student Transportation	734,243
Operation of Noninstructional Services	150,196
Total	<u>\$ 5,368,892</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 6 – INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2025, consisted of the following:

Transfer to	Transfer from		Total
	General Fund	Special Projects Fund	
General Fund	\$ -	\$ 222,273	\$ 222,273
Nonmajor Governmental Funds	1,123,036	-	1,123,036
Total	\$ 1,123,036	\$ 222,273	\$ 1,345,309

Transfers were made to record indirect costs transferred to the indirect cost pool for various federal grants from the Special Projects Fund and Nonmajor Governmental Funds to the General Fund. In addition, a transfer was made from the General Funds to the Nonmajor Governmental Fund for energy and water saving project payments.

NOTE 7 – LONG-TERM OBLIGATIONS

Compensated Absences

Compensated absences are paid from various funds in the same proportion that those funds pay payroll costs. During fiscal year June 30, 2025, the District paid for compensated absences from the General Fund.

General Obligation Bonds Payable

The District's bonded debt consisted of the following outstanding refunding revenue bonds. The bonds are noncallable with interest payable semiannually. Revenues recorded in the Debt Service Fund are used to pay bonded debt.

General obligation bonds currently outstanding are as following at June 30, 2025:

Purpose	Interest Rate	Maturity	Original Issue	Balance
Governmental Activities:				
Refunding Bonds, Series 2016	2.0 - 5.0%	7/1/2024-26	\$ 40,805,000	\$ 6,775,000

Debt service requirements on bonds payable at June 30, 2025 are as follows:

Year ended, June 30,	Governmental Activities	
	Principal	Interest
2026	6,775,000	338,750
Total	\$ 6,775,000	\$ 338,750

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 7 – LONG-TERM OBLIGATIONS (CONTINUED)

Financed Purchase Payable

The District acquired school buses and energy system improvements under the provisions of financed purchase agreements for a total purchase price of \$27,852,510.

Annual debt service requirement to maturity on financed purchase agreements at year end are summarized as follows:

Year ended, June 30,	Governmental Activities	
	Principal	Interest
2026	\$ 1,057,696	\$ 586,559
2027	1,137,248	549,459
2028	1,219,894	509,829
2029	1,307,689	467,540
2030	1,400,697	422,447
2031-2035	5,769,000	1,608,279
2036-2040	8,046,000	793,385
2041	1,944,000	23,464
Total	<u>\$ 21,882,224</u>	<u>\$ 4,960,962</u>

Lease Payable

The District has acquired 35 vehicles under the provisions of a lease agreement to lease the vehicles for 48 months, and the lease payable was paid off in the current fiscal year.

Changes in long-term liabilities for the year ended June 30, 2025 are as follows:

	Balance July 01, 2024	Additions	Deductions	Balance June 30, 2025	Due Within One Year
General obligation bonds	\$ 13,025,000	\$ -	\$ (6,250,000)	\$ 6,775,000	\$ 6,775,000
Unamortized premium	1,418,464	-	(709,231)	709,233	-
Financed purchase	22,864,404	-	(982,180)	21,882,224	1,057,696
Leases payable	32,130	-	(32,130)	-	-
Compensated absences*	2,926,026	-	(148,026)	2,778,000	742,413
Net pension liability	43,966,604	-	(4,825,322)	39,141,282	-
Net OPEB liability	35,445	-	(29,126)	6,319	-
Total	<u>\$ 84,268,073</u>	<u>\$ -</u>	<u>\$ (12,976,015)</u>	<u>\$ 71,292,058</u>	<u>\$ 8,575,109</u>

* - The Change in compensated absences above is a net change for the year.

NOTE 8 – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is a member of the Arizona School Risk Retention Trust, Inc (ASRRT), together with other school districts in the state. ASRRT is a public entity risk pool currently operating as a common risk management and insurance program for member school districts. The District pays an annual premium to ASRRT for its general insurance coverage. The agreement provides that ASRRT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For employee health and dental insurance the District participates in the Kairos Health Arizona. The trust is a public entity risk-sharing and insurance purchasing pool. If the pool becomes either insolvent or is otherwise unable to discharge its legal liabilities and other obligations, the District may be assessed an additional amount not to exceed the original required annual contribution to the pool.

The District is a member of the Arizona School Alliance for Workers' Compensation, Inc. (the Alliance). The Alliance was established in 1996 and is structured as a self-insurance pool that is owned and governed by its members. The agreement provides that the Alliance will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts.

For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior fiscal years.

NOTE 9 – CONTINGENT LIABILITIES

Federal grants - In the normal course of operations, the District receives grant funds from various federal agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed by District officials to be material.

Litigation - Each year the District receives notices of claims for damages occurring generally from negligence, bodily injury, breach of contract, and other legal matters. The filing of such claims commences a statutory period for initiating a lawsuit against the District arising therefrom. The District has comprehensive general liability insurance with the ASRRT. The District is not aware of any litigation that might result in a materially adverse outcome.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS

Cost Sharing Pension Plan

At June 30, 2025, the District reported the following related to pension and OPEB plans to which it contributes:

	Cost-sharing pension plan	Cost-sharing OPEB plan	Total
Net (assets)	\$ -	\$ 1,457,882	\$ 1,457,882
Net pension liability	39,141,282	6,319	39,147,601
Deferred outflows of resource:	6,306,016	272,207	6,578,223
Deferred inflows of resources	6,511,132	547,611	7,058,743
Pension expense	(292,904)	(147,892)	(440,796)

Arizona State Retirement System

Plan Description

District employees participate in the Arizona State Retirement System (ASRS). The ASRS administers a cost-sharing, multiple-employer defined benefit pension plan; a cost-sharing, multiple-employer defined benefit health insurance premium benefit (OPEB); and a cost-sharing, multiple-employer defined benefit long- term disability (OPEB) plan. The Arizona State Retirement System Board governs the ASRS according to the provisions of A.R.S. Title 38, Chapter 5, Articles 2, and 2.1. The ASRS issues a publicly available financial report that includes its financial statements and required supplementary information. The report is available on its Web site at www.azasrs.gov.

Benefits Provided

The ASRS provides retirement, health insurance premium supplement, long-term disability, and survivor benefits. State statute establishes benefit terms. Retirement benefits are calculated on the basis of age, average monthly compensation, and service credit as follows:

	Retirement Initial Membership Date:	
	Before July 1, 2011	On or After July 1, 2011
Years of service and age required to receive benefit	Sum of years and age equals 80 10 years, age 62 5 years, age 50* Any years, age 65	30 years, age 55 25 years, age 60 10 years, age 62 5 years, age 50* Any years, age 65
Final average salary is based on	Highest 36 consecutive months of last 120 months	Highest 60 consecutive months of last 120 months
Benefit percent per year of service	2.1% to 2.3%	2.1% to 2.3%

**With actuarially reduced benefits.*

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Benefits Provided (Continued)

Retirement benefits for members who joined the ASRS prior to September 13, 2013, are subject to automatic cost-of-living adjustments based on excess investment earning. Members with a membership date on or after September 13, 2013, are not eligible for cost-of-living adjustments. Survivor benefits are payable upon a member's death. For retired members, the retirement benefit option chosen determines the survivor benefit. For all other members, the beneficiary is entitled to the member's account balance that includes the member's contributions and employer's contributions, plus interest earned.

Health insurance premium benefits are available to retired or disabled members with 5 years of credited service. The benefits are payable only with respect to allowable health insurance premiums for which the member is responsible. For members with 10 or more years of service, benefits range from \$100 per month to \$260 per month depending on the age of the member and dependents. For members with 5 to 9 years of service, the benefits are the same dollar amounts as above multiplied by a vesting fraction based on completed years of service.

Active members are eligible for a monthly long-term disability benefit equal to two-thirds of monthly earnings. Members receiving benefits continue to earn service credit up to their normal retirement dates. Members with long-term disability commencement dates after June 30, 1999, are limited to 30 years of service or the service on record as of the effective disability date if their service is greater than 30 years.

Contributions

In accordance with State statutes, annual actuarial valuations determine active member and employer contribution requirements. The combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability. For the year ended June 30, 2025, statute required active ASRS members to contribute at the actuarially determined rate of 12.27% (12.12% for retirement and 0.15% for long-term disability) of the members' annual covered payroll, and statute required the District to contribute at the actuarially determined rate of 12.27% (12.05% for retirement, 0.07% for health insurance premium benefit, and 0.15% for long-term disability) of the active members' annual covered payroll. In addition, the District was required by statute to contribute at the actuarially determined rate of 10.19% (10.14% for retirement and 0.05% for long-term disability) of annual covered payroll of retired members who worked for the District in positions that an employee who contributes to the ASRS would typically fill.

The District's contributions to the pension, health insurance premium benefit, and long-term disability plans for the year ended June 30, 2025, were \$4,121,186, \$23,941, and \$49,189, respectively.

During fiscal year 2025, the District paid for pension and OPEB contributions as follows: 80% from the General Fund, 9% from the Classroom Site Fund, 8% from the Special Projects Fund, and 3% from nonmajor governments funds.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Liability

On June 30, 2025, the District reported the following asset and liabilities for its proportionate share of the ASRS' net pension/OPEB asset or liability:

	Net (Assets) Liability
Pension	\$ 39,141,282
Health insurance premium benefit	(1,457,882)
Long-term disability	<u>6,319</u>
Total Pension/OPEB (Assets) Liability	<u>\$ 37,689,719</u>

The net asset and net liabilities were measured as of June 30, 2024. The total liability used to calculate the net asset or net liability was determined using update procedures to roll forward the total liability from an actuarial valuation as of June 30, 2023, to the measurement date of June 30, 2024.

The District's proportion of the net asset or net liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024, and the change from its proportions measured as of June 30, 2023, were:

	District % Proportion June 30, 2024	Increase (Decrease) from June 30, 2023
Pension	0.24461%	-0.02710%
Health insurance premium benefit	0.24128%	-0.02822%
Long-term disability	0.24239%	-0.02811%

Expense

For the year ended June 30, 2025, the District recognized the following pension and OPEB expense:

	Pension/OPEB Expense
Pension	\$ (292,904)
Health insurance premium benefit	(176,911)
Long-term disability	<u>29,019</u>
Total Pension/OPEB expense:	<u>\$ (440,796)</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Deferred Outflows/Inflows of Resources

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
Differences between expected and actual experience	\$ 2,184,830	\$ 42,189	\$ 23,233
Changes of assumptions or other inputs	-	-	4,572
Changes in proportion and differences between contributions and proportionate share of contributions	-	120,961	8,122
Contributions subsequent to the measurement date	4,121,186	23,941	49,189
Total	\$ 6,306,016	\$ 187,091	\$ 85,116

	Deferred Inflows of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
Differences between expected and actual experience	\$ -	\$ 352,022	\$ 16,827
Changes of assumptions or other inputs	-	15,122	37,827
Net difference between projected and actual earnings on pension plan investments	2,499,599	100,215	6,901
Changes in proportion and differences between contributions and proportionate share of contributions	4,011,533	1,382	17,315
Total	\$ 6,511,132	\$ 468,741	\$ 78,870

The amounts reported as deferred outflows of resources related to ASRS pensions and OPEB resulting from District contributions subsequent to the measurement date will be recognized as an increase of the net asset or a reduction of the net liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to ASRS pensions and OPEB will be recognized in expenses as follows:

Year Ending June 30:	Deferred Outflows (Inflows) of Resources		
	Pension	Health Insurance Premium Benefit	Long-Term Disability
2025	(3,769,353)	(239,168)	\$ (10,546)
2026	534,488	(29,928)	(1,369)
2027	(632,731)	(31,502)	(11,289)
2028	(458,706)	(6,797)	(11,613)
2029	-	1,804	(6,399)
Thereafter	-	-	(1,727)
Total	\$ (4,326,302)	\$ (305,591)	\$ (42,943)

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
(CONTINUED)

Arizona State Retirement System (Continued)

Actuarial Assumptions

The significant actuarial assumptions used to measure the total pension liability are as follows:

	Pensions	Health Insurance Premium Benefit	Long-Term Disability
Actuarial valuation date	June 30, 2023	June 30, 2023	June 30, 2023
Actuarial roll forward date	June 30, 2024	June 30, 2024	June 30, 2024
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Investment rate of return	7.0%	7.0%	7.0%
Projected salary increases	2.9-8.4%	Not applicable	Not applicable
Inflation rate	2.3%	2.3%	2.3%
Permanent base increases	Included	Not applicable	Not applicable
Mortality rates	2017 SRA Scale U-MP	2017 SRA Scale U-MP	Not applicable
Recovery rates	Not applicable	Not applicable	2012 GLDT

Actuarial assumptions used in the June 30, 2023, valuation were based on the results of an actuarial study for the 5-year period ended June 30, 2020.

The long-term expected rate of return on ASRS pension plan investments was determined to be 7.0% using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Geometric Real Rate of Return
Public equity	44%	4.48%
Credit	23%	4.40%
Real estate	17%	6.06%
Private equity	10%	6.11%
Interest rate sensitive	6%	-0.45%
Total	100%	

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 NOTES TO BASIC FINANCIAL STATEMENTS
 JUNE 30, 2025**

**NOTE 10 – PENSION AND OTHER POST EMPLOYMENT BENEFITS (OPEB) PLANS
 (CONTINUED)**

Arizona State Retirement System (Continued)

Discount Rate

At June 30, 2024, the discount rate used to measure the ASRS total pension/OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the ASRS Board’s funding policy, which establishes the contractually required rate under Arizona statute. Based on those assumptions, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension/OPEB liability.

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

The following table presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.0%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0%) or 1 percentage point higher (8.0%) than the current rate.

	Proportionate share of the net liability (asset)		
	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Pension	\$ 59,933,307	\$ 39,141,282	\$ 21,812,945
Health insurance premium benefi	(1,059,870)	(1,457,882)	(1,796,271)
Long-term disability	21,741	6,319	(8,852)

Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued ASRS financial report.

Contributions Payable

The District’s accrued payroll and employee benefits included \$204,186 of outstanding pension and OPEB contributions payable to ASRS for the year ended June 30, 2025.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

NOTE 11 – RESTATEMENTS OF BEGINNING BALANCES

Compensated Absence - During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time and sick leave for employees with seven or more years of consecutive services owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the “Restatement - GASB 101 implementation” column in the table below.

The effects of the matters noted above resulted in restatements of beginning net position and fund balances as follows:

	Net position/fund balance June 30, 2024 as previously reported	Restatement - GASB 101 Implementation	Net position/fund balance July 1, 2024 as restated
Government-Wide			
Governmental Activities	\$ 62,301,209	\$ (1,692,273)	\$ 60,608,936
Total Primary Government	<u>\$ 62,301,209</u>	<u>\$ (1,692,273)</u>	<u>\$ 60,608,936</u>

**REQUIRED SUPPLEMENTARY INFORMATION
OTHER THAN MD&A**

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY AND CONTRIBUTIONS
COST-SHARING PENSION PLAN
JUNE 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Reporting Fiscal Year (Measurement Date)									
	2025 (2024)	2024 (2023)	2023 (2022)	2022 (2021)	2021 (2020)	2020 (2019)	2019 (2018)	2018 (2017)	2017 (2016)	2016 (2015)
Proportion of the net pension liability	0.27171%	0.27171%	0.29601%	0.31334%	0.30194%	0.28631%	0.27247%	0.26133%	0.26311%	0.28145%
Proportionate share of the net pension liability	\$ 39,141,282	\$ 43,966,604	\$ 48,315,406	\$ 41,171,485	\$ 52,315,695	\$ 41,661,436	\$ 37,999,976	\$ 40,710,120	\$ 42,468,597	\$ 43,839,497
Covered payroll	\$ 37,135,241	\$ 37,501,614	\$ 36,733,281	\$ 36,397,292	\$ 34,044,485	\$ 31,012,695	\$ 27,454,692	\$ 25,961,734	\$ 25,439,545	\$ 26,706,359
Proportionate share of the net pension liability as a percentage of its covered payroll	105.40%	117.24%	131.53%	113.12%	153.67%	134.34%	138.41%	156.81%	166.94%	164.15%
Plan fiduciary net position as a percentage of the total pension liability	76.93%	75.47%	74.26%	78.58%	69.33%	73.24%	73.40%	69.92%	67.06%	68.35%

SCHEDULE OF CONTRIBUTIONS

	Reporting Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 4,121,186	\$ 4,067,527	\$ 4,206,008	\$ 4,231,693	\$ 4,095,118	\$ 3,765,262	\$ 3,391,547	\$ 2,956,313	\$ 2,674,194	\$ 2,622,305
Contributions in relation to the actuarially determined contribution	4,121,186	4,067,527	4,206,008	4,231,693	4,095,118	3,765,262	3,391,547	2,956,313	2,674,194	2,622,305
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 38,840,046	\$ 37,135,241	\$ 37,501,614	\$ 36,733,281	\$ 36,397,292	\$ 34,044,485	\$ 31,012,695	\$ 27,454,692	\$ 25,961,734	\$ 25,439,545
Contributions as a percentage of covered payroll	10.61%	10.95%	11.22%	11.52%	11.25%	11.06%	10.94%	10.77%	10.30%	10.31%

See accompanying Notes to Required Supplementary Information

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL GENERAL FUND – BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variances -</u>
	<u>Original</u>	<u>Final</u>	<u>Budgetary Basis</u>	<u>Final to Actual</u>
REVENUES				
Property taxes	\$ -	\$ -	\$ 17,161,124	\$ 17,161,124
Intergovernmental	-	-	36,885,100	36,885,100
Tuition	-	-	-	-
Investment earnings	-	-	23,136	23,136
Other	-	-	11,868	11,868
Total Revenues	-	-	54,081,228	54,081,228
EXPENDITURES				
Regular education:				
Instruction	25,518,895	25,042,364	18,152,520	6,889,844
Support services - students	3,037,717	3,311,622	3,368,285	(56,663)
Support services - instructional staff	2,697,686	2,670,911	2,388,615	282,296
Support services - general administrative	1,393,985	1,530,173	1,466,992	63,181
Support services - school administration	3,885,627	3,838,985	4,093,603	(254,618)
Support services - central services	1,568,399	1,525,016	1,369,319	155,697
Operations and maintenance of plant	7,521,182	8,842,047	9,087,615	(245,568)
Operation of noninstructional services	95,024	115,354	128,922	(13,568)
School-sponsored cocurricular activities	39,450	83,977	39,431	44,546
School-sponsored athletics	603,728	730,352	591,050	139,302
Other programs	-	-	34,613	(34,613)
Total regular education	46,361,693	47,690,801	40,720,965	6,969,836
Special education:				
Instruction	7,268,749	7,249,034	6,180,590	1,068,444
Support services - students	4,489,450	3,367,113	3,051,818	315,295
Support services - instructional staff	878,508	736,002	896,676	(160,674)
Support services - school administration	163,414	141,372	161,321	(19,949)
Support services - central services	-	100	3,124	(3,024)
Operations and maintenance of plant	-	-	140	(140)
Total special education	12,800,121	11,493,621	10,293,669	1,199,952
Pupil transportation:				
Student transportation services	4,055,389	4,187,966	4,550,711	(362,745)
Dropout prevention program:	77,620	62,000	79,989	(17,989)
K-3 reading program:				
Instruction	357,525	383,883	339,008	44,875
Total Expenditures	63,652,348	63,818,271	55,984,342	7,833,929
Excess (Deficiency) of Revenues Over Expenditures	(63,652,348)	(63,818,271)	(1,903,114)	61,915,157
Fund Balance - Beginning	-	-	11,425,273	11,425,273
Decrease in inventories	-	-	15,446	15,446
Fund Balance - Ending	\$(63,652,348)	\$(63,818,271)	\$ 8,415,794	\$ 72,234,065

See accompanying Notes to Required Supplementary Information

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL CLASSROOM SITE FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Final to
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 6,545,627	\$ 6,545,627
Investment earnings	-	-	372,063	372,063
Total Revenues	-	-	6,917,690	6,917,690
EXPENDITURES				
Regular education:				
Instruction	8,365,739	10,547,322	3,051,569	7,495,753
Total regular education	8,365,739	10,547,322	3,051,569	7,495,753
Special education:				
Instruction	2,609,772	3,290,338	951,966	2,338,372
Total Expenditures	10,975,511	13,837,660	4,003,535	9,834,125
Excess (Deficiency) of Revenues Over Expenditures	(10,975,511)	(13,837,660)	2,914,155	16,751,815
NET CHANGE IN FUND BALANCE	(10,975,511)	(13,837,660)	2,914,155	16,751,815
Fund Balance - Beginning	-	-	7,292,033	7,292,033
Fund Balance - Ending	\$(10,975,511)	\$(13,837,660)	\$ 10,206,188	\$ 24,043,848

See accompanying Notes to Required Supplementary Information

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL SPECIAL PROJECTS FUND
YEAR ENDED JUNE 30, 2025**

	Budgeted Amounts		Actual	Final to
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 11,630,537	\$ 11,630,537
Other	-	-	20	20
Total Revenues	-	-	11,630,557	11,630,557
EXPENDITURES				
Regular education:				
Instruction	403,036	403,036	405,798	(2,762)
Support services - students	213,368	213,368	214,831	(1,463)
Support services - instructional staff	268,023	268,023	269,860	(1,837)
Support services - school administration	13,493	13,493	13,585	(92)
Support services - central services	69,781	69,781	70,259	(478)
Operation of noninstructional services	93,641	93,641	94,283	(642)
Total regular education	1,061,342	1,061,342	1,068,616	(7,274)
Special education:				
Instruction	2,428,219	2,428,219	2,444,864	(16,645)
Support services - students	914,444	914,444	920,712	(6,268)
Support services - instructional staff	914,363	914,363	920,631	(6,268)
Support services - central services	14,610	14,610	14,710	(100)
Total special education	4,271,636	4,271,636	4,300,917	(29,281)
Pupil transportation:				
Student transportation services	521	521	525	(4)
Capital outlay				
Facilities acquisition	5,961,166	5,961,166	6,002,028	(40,862)
Total Expenditures	11,294,665	11,294,665	11,372,086	(77,421)
Excess (Deficiency) of Revenues Over Expenditures	(11,294,665)	(11,294,665)	258,471	11,553,136
Other Financing Sources (Uses):				
Transfers out	-	-	(222,273)	(222,273)
Net Financing Sources (Uses)	-	-	(222,273)	(222,273)
NET CHANGE IN FUND BALANCE	(11,294,665)	(11,294,665)	36,198	11,330,863
Fund Balance - Beginning	-	-	499,365	499,365
Fund Balance - Ending	\$(11,294,665)	\$(11,294,665)	\$ 535,563	\$ 11,830,228

See accompanying Notes to Required Supplementary Information

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

NOTE 1 – AVAILABILITY OF OPEB INFORMATION

Information related to the District’s OPEB was not presented as amounts were insignificant.

NOTE 2 – BUDGETARY BASIS OF ACCOUNTING

The District’s adopted budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, with the following exception:

- 1) The General Fund as reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances includes the District’s Maintenance and Operation Fund in addition to several other District funds as required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*; however, for budgetary purposes, the District prepares a separate Maintenance and Operation Fund budget.

The following adjustments are necessary to present actual revenues, expenditures, other financing sources and uses, beginning fund balance and ending fund balance on a budgetary basis in order to present only the activity of the District’s Maintenance and Operation Fund for budgetary purposes.

	General Fund				
	Total	Total	Other	Fund balance	Fund balance
	Revenues	Expenditures	Financing Sources and Uses	beginning of year	end of year
Statement of revenues, expenditures and changes in fund balance	\$ 64,399,156	\$ 63,775,933	\$ (885,317)	\$ 25,481,866	\$ 25,219,772
Non-maintenance and operation activity included in the General Fund	(10,317,928)	(7,791,591)	(221,048)	(14,056,593)	(16,803,978)
Schedule of revenues, expenditures, and changes in fund balance - budget to actual	\$ 54,081,228	\$ 55,984,342	\$ (1,106,365)	\$ 11,425,273	\$ 8,415,794

**STATISTICAL SECTION
(UNAUDITED)**

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 ENROLLMENT
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Average Daily Membership (ADM) 100-Day Count	
Fiscal Year Ended	
June 30	ADM
2025	6,521
2024	6,741
2023	6,605
2022	6,520
2021	6,075
2020	6,522
2019	6,515
2018	6,398
2017	6,390
2016	6,352

The District's 100-day ADM for the year ending June 30, 2025, was 6,521 students. The District has 28 principals and administrators, 53 specialists, 330 certified teachers, and 350 classified support personnel. This creates an overall student to teacher ratio of 20:1

Source: Arizona Department of Education ADM20 report for attendance and SDER30 for employee data.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
PROPERTY VALUATIONS
JUNE 30, 2025
(UNAUDITED)**

Property Valuations

The following table lists the various property valuations for the District for fiscal year 2024-25. As used herein, "Estimated Net Full Cash Value" is the Full Cash Value net of the estimated Full Cash Value of property exempt from taxation.

Property Valuations for Fiscal Year 2024-25	
Estimated Net Full Cash Value	\$ 8,932,016,986
Net Assessed Full Cash Value	1,058,025,746
Net Assessed Limited Property Value	639,417,704

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NET ASSESSED VALUATION BY PROPERTY CLASSIFICATION
JUNE 30, 2025
(UNAUDITED)

Net Assessed Limited Property Values by Property Classification
Fiscal Year 2024-25

Legal Class	Description	Net Assessed Limited Property Value	Percent of Total
1	Commercial, industrial, utilities & mines	\$ 214,032,310	33.47%
2	Agricultural and vacant	85,876,179	13.43%
3	Residential (owner occupied)	244,887,021	38.30%
4	Residential (rental occupied)	89,179,129	13.95%
5	Railroad	5,394,268	0.84%
6	Historical & Environmental	46,361	0.01%
9	Railroad	2,436	0.00%
Totals		\$ 639,417,704	100.00%

Source: State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NET ASSESSED PROPERTY VALUES OF MAJOR TAXPAYERS
JUNE 30, 2025
(UNAUDITED)

Net Assessed Property Values of Major Taxpayers
Fiscal Year 2024-25

Description	Net Assessed Limited Property Value	Percentage of Total Net Assessed Limited Property Value
UNISOURCE ENERGY CORPORATION	\$ 39,515,940	6.18%
MOHAVE COUNTY WIND, LLC	11,487,200	1.80%
GRIFFITH ENERGY LLC (GRIFFTH-KINGMAN)	8,377,440	1.31%
TRANSWESTERN PIPELINE COMPANY LLC	4,894,209	0.77%
ALLO ARIZONA, LLC DBA ALLO COMMUNICATION	4,853,932	0.76%
TIPPMAN REALTY PARTNERS LLC	4,420,227	0.69%
BNSF RAILWAY COMPANY	4,317,009	0.68%
HUALAPAI VALLEY FARM LLC	3,922,828	0.61%
CITIZEN'S RURAL DIVISION	2,879,422	0.45%
NUCOR STEEL KINGMAN LLC	2,869,169	0.45%
Totals	\$ 87,537,376	13.69%

Source: Mohave County Treasurer's Office.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
PROPERTY TAX LEVIES AND COLLECTIONS
FISCAL YEAR ENDING JUNE 30, 2025, AND FOUR YEARS PRIOR
MODIFIED ACCRUAL BASIS OF ACCOUNTING
(UNAUDITED)**

Fiscal Year Ended June 30	Current Collections		Percentage of Current Taxes Collected	Delinquent Tax Collections	Total Collections	Collections as a Percentage of the Levy
	Taxes Levied for the Fiscal Year	Amount				
2025	\$ 25,924,244	\$ 24,918,527	96.12%	-	24,918,527	96.12%
2024	28,270,927	27,252,905	96.40%	933,448	28,186,353	99.70%
2023	25,374,456	24,450,831	96.04%	856,199	25,307,030	99.73%
2022	24,597,942	23,541,607	95.71%	989,011	24,530,618	99.73%
2021	22,924,648	22,045,798	96.17%	832,355	22,878,153	99.80%

Source: Mohave County Treasurer's records and District records.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
TAX RATE DATE
FISCAL YEAR ENDING JUNE 30, 2025, AND FOUR YEARS PRIOR
(UNAUDITED)

<u>Fiscal Year Ended June 30</u>	<u>Current Collections</u>		<u>Total</u>
	<u>Primary</u>	<u>Secondary</u>	
2025	3.6379	1.0494	4.6873
2024	4.1732	1.1010	5.2742
2023	3.8652	1.1414	5.0066
2022	3.9984	1.2402	5.2386
2021	3.8776	1.3883	5.2659

Source: *Property Tax Rates and Assessed Values*, Arizona Tax Research Association and Mohave County Department of Finance.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 GENERAL OBLIGATION BONDED DEBT OUTSTANDING
 JUNE 30, 2025
 (UNAUDITED)**

<u>Issue/Series</u>	<u>Original Amount</u>	<u>Interest Rates</u>	<u>Remaining Maturity Dates</u>	<u>Balance Outstanding June 30, 2024</u>	<u>Due Within One Year</u>
Refunding Bonds, Series 2016	\$ 40,805,000	2.0-5.0%	7/1/25-26	<u>\$ 6,775,000</u>	<u>\$ 6,775,000</u>

Source: The District's financial records.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
DEBT LIMITATION
JUNE 30, 2025
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed value	\$ 1,058,025,746
	<u>30%</u>
Debt limit (30% of assessed value)	317,407,724
Less: Net debt applicable to limit	<u>(6,775,000)</u>
Legal debt margin	<u>\$ 310,632,724</u>

Class B Bond Legal Debt Margin Calculation for Fiscal Year 2025:

Net full cash assessed value	\$ 1,058,025,746
	<u>20%</u>
Debt limit (20% of assessed value)	211,605,149
Less: Net debt applicable to limit	<u>(6,775,000)</u>
Legal debt margin	<u>\$ 204,830,149</u>

Source: The District's financial records and State and County Abstract of the Assessment Roll, Arizona Department of Revenue.

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT RATIOS
JUNE 30, 2025
(UNAUDITED)

	Per Capital Net Debt Pop. Est.	Net Assessed Limited Property Value	Estimated Full Limited Property Cash Value
	<u>35,562</u>	<u>\$639,417,704</u>	<u>\$8,932,016,986</u>
Net Direct General Obligation Bonded Debt (\$6,775,000)	\$ 190.51	1.06%	0.08%
Net Direct and Overlapping General Obligation Bonded Debt (\$6,775,000)	\$ 190.51	1.06%	0.08%



KINGMAN UNIFIED SCHOOL
DISTRICT NO. 20

SINGLE AUDIT REPORT

Fiscal Year Ended June 30, 2025

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SINGLE AUDIT REPORT
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YEAR ENDED JUNE 30, 2025**

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**INDEPENDENT AUDITORS' 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**

Governing Board of
Kingman Unified School District No. 20
Kingman, Arizona

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Kingman Unified School District No. 20 (District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 27, 2026.

Report on Internal Control over Financial Reporting

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

A deficiency in internal 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, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be significant deficiencies. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001, that we consider to be a material weakness.



Report on Compliance and Other Matters

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

The District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's responses to the findings identified in our audit that are presented in its corrective action. The District is responsible for preparing a corrective action plan to address each finding. The District's responses and corrective action plan were not subjected to the other auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM, ON
INTERNAL CONTROL OVER COMPLIANCE, AND REPORT ON THE SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS AS REQUIRED BY THE UNIFORM GUIDANCE**

Governing Board of
Kingman Unified School District No. 20
Kingman, Arizona

Report on Compliance for Each Major Federal Program

We have audited Kingman Unified School District No. 20.'s (District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2025.



Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated January 27, 2026, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Advisent Assurance, LLP

Mesa, Arizona
January 27, 2026



**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal Assistance Listing Number	Additional Award Identification (Optional)	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture:					
<i>Passed through The Arizona Department of Education:</i>					
Child Nutrition Cluster:					
School Breakfast Program	10.553		ADE E009-0001	\$ 580,329	\$ -
National School Lunch Program	10.555		ADE E009-0001	2,368,682	-
Commodities - Food Distribution Noncash	10.555		ADE E009-0001	207,213	-
Summer Food Service Program	10.559		ADE E009-0001	48,469	-
Subtotal Child Nutrition Cluster				<u>3,204,693</u>	-
Total U. S. Department of Agriculture				<u>3,204,693</u>	-
U.S. Department of Education:					
<i>Passed through the Arizona Department of Education:</i>					
Title I - LEAs	84.010		25FT1TTI-511361-01A	2,329,634	-
Systemic School Improvement Grant	84.010		24FSSIG-411361-01A	101,652	-
Title I-D Delinquent LEA	84.010		25FLCCCL-511361-02A	53,713	-
Special Education Cluster (IDEA):					
IDEA Basic Grant Entitlement	84.027A		25ICSGBA-511361-01A	1,846,377	-
IDEA Preschool	84.173A		25ICSGPR-511361-01A	34,880	-
Subtotal Special Education Cluster (IDEA)				<u>1,881,257</u>	-
Career and Technical Education - Vocational Education	84.048		25FCTDBG-511361-08A	217,987	-
Twenty-First Century Community Learning Centers	84.287		25FCCLC3-511361-16C	163,208	-
Rural and Low-Income Schools	84.358		25FTIRLC-511361-04A	146,344	-
English Language Acquisition State Grant	84.365		25FELLEP-511361-10A	2,642	-
Title II - Improving Teacher Quality	84.367		25FT1TII-511361-03A	190,102	-
Student Support & Academic Enrichment	84.424		25FT4TIV-511361-01A	53,668	-
ARP - Homeless II Entitlement	84.425W	COVID-19	22FAHII-211361-01A	15,049	-
Education Stabilization Fund - ESSER III	84.425U	COVID-19	21FESIII-111361-01A	6,004,813	-
Subtotal Education Stabilization Fund				<u>6,019,862</u>	-
Total U. S. Department of Education				<u>11,160,069</u>	-
U.S. Department of Health and Human Services:					
<i>Passed through the Arizona Department of Education:</i>					
Child Care Development Block Grant	93.354		25FASNWE-511361-01A	16,999	-
Total U. S. Department of Health and Human Services				<u>16,999</u>	-
Total Federal Expenditures				<u>\$ 14,381,761</u>	<u>\$ -</u>

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1 - BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards includes the District's federal grant activity for the year ended June 30, 2025. 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).

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. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 - FEDERAL ASSISTANCE LISTING NUMBERS

The program titles and federal assistance numbers were obtained from the federal or pass-through grantor.

NOTE 4 - NON-CASH ASSISTANCE

Food donations as reported for the Child Nutrition Cluster represents the amount of donated food used during the fiscal year ended June 30, 2025. Commodities are valued at fair value at the time of donation.

NOTE 5 - INDIRECT COST RATE

The District did not elect to use the de minimis indirect cost rate as covered in 2 CFR §200.414.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FISCAL YEAR ENDED JUNE 30, 2025**

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Is a going concern emphasis-of-matter paragraph included in the auditors' report?	<u>No</u>
Internal control over financial reporting:	
Material weaknesses identified?	<u>Yes</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None noted</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiencies identified not considered to be material weaknesses?	<u>None noted</u>
Type of auditors' report issued on compliance for major programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u>No</u>

Identification of major programs:

<u>Federal Assistance Numbers</u>	<u>Name of Federal Program of Cluster</u>
<u>84.027, 84.173</u>	<u>Special Education Cluster</u>
<u>84.425U, 84.425W</u>	<u>Education Stabilization Fund - COVID-19</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 750,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SECTION II - FINANCIAL STATEMENT FINDINGS

2025-001 RECONCILING CASH WITH THE COUNTY TREASURER

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Repeat Finding: Same as finding 2024-001.

Condition: According to generally accepted accounting principles (GAAP), District management is responsible for establishing and maintaining internal controls over financial reporting, to include controls over the District's accounting records and general ledger transactions. These internal control procedures should include a process to properly reconcile cash held with the county treasurer monthly. These reconciliations should identify and resolve reconciling items. The District should also ensure cash reconciliations are reviewed and approved by someone other than the preparer. These reconciliations should be prepared in a timely manner.

Context: Cash balances were not reconciled by individual treasurer funds which could include reconciling items between District funds. The reconciliations provided were not always reviewed and approved by someone other than the preparer.

Criteria: Generally accepted accounting principles (GAAP), the Uniform System of Financial Records (USFR), and internal control procedures.

Effect: Noncompliance with the USFR, or errors in financial reporting from unidentified cash reconciling items could go uncorrected that would lead to material weaknesses within the financial statements.

Cause: Management oversight and a change in management.

Recommendation: To strengthen internal controls, the District should evaluate its cash reconciliation processes to more easily identify those items that need to be corrected within the District's general ledger when compared to the county treasurer. Old reconciling items should be identified as corrected and removed from the reconciliation or should be corrected accordingly. In addition, a process should be implemented to easily identify treasurer transfers that have been posted within the District's ledger, but need to be posted at the treasurer, since all expenditure activity is accounted for within the District's operating account at the treasurer.

Cash reconciliations should also be reviewed and approved by someone other than the preparer.

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

**KINGMAN UNIFIED SCHOOL DISTRICT NO. 20
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FISCAL YEAR ENDED JUNE 30, 2025**

SUMMARY SCHEDULE ON PRIOR YEAR FINDINGS

Finding 2024-001 Reconciling Cash with the County Treasurer

Finding Type: Material Weakness, Noncompliance

CONDITION

Cash balances were not reconciled by individual treasurer funds which could include reconciling items between District funds. The reconciliations provided were not always reviewed and approved by someone other than the preparer.

Status: Not corrected, similar to current year finding 2025-001.



Kingman Unified School District #20

3033 MacDonald Ave., Kingman, AZ 86401
Phone: (928) 753-5678 Fax (928) 753-6910

Superintendent Dr. Gretchen Domer

Assistant Superintendent Shelley Oestmann

CORRECTIVE ACTION PLAN

U.S. Department of Education

Kingman Unified School District No. 20 respectfully submits the following corrective action plan for the year ended June 30, 2025.

Audit period: July 1, 2024 – June 30, 2025

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

2025-001 RECONCILING CASH WITH THE COUNTY TREASURER

Type of Finding: Material Weakness in Internal Control Over Financial Reporting

Condition: According to generally accepted accounting principles (GAAP), District management is responsible for establishing and maintaining internal controls over financial reporting, to include controls over the District's accounting records and general ledger transactions. These internal control procedures should include a process to properly reconcile cash held with the county treasurer monthly. These reconciliations should identify and resolve reconciling items. The District should also ensure cash reconciliations are reviewed and approved by someone other than the preparer. These reconciliations should be prepared in a timely manner.

Context: Cash balances were not reconciled by individual treasurer funds which could include reconciling items between District funds. The reconciliations provided were not always reviewed and approved by someone other than the preparer.

Corrective Action Plan: Management will review its internal control procedures over cash reconciliations to ensure someone other than the preparer is reviewing and approving the reconciliations. The reconciliations will be prepared on a monthly basis and will ensure all reconciling items are investigated and resolved and any treasurer transfers or District journal entries are prepared and reviewed as needed.

Planned completion date for corrective action plan: For the period ending June 30, 2026.

Name of the contact person responsible for corrective action: Margot Jones, Director of Business and Finance.



KINGMAN UNIFIED SCHOOL
DISTRICT NO. 20

**UNIFORM SYSTEM OF FINANCIAL
RECORDS (USFR) COMPLIANCE
QUESTIONNAIRE**

Fiscal Year Ended June 30, 2025

Kingman Unified School District No. 20
Summary of Compliance Findings
Year Ended June 30, 2025

Governing Board/Management

None noted.

Budgeting

BUD02. Total budgeted expenditures on the originally adopted budget for the Maintenance and Operation (M&O) and Unrestricted Capital Outlay Funds (UCO) were less than or equal to the budgeted amounts on the published proposed budget and within the general budget limit (GBL) and the unrestricted capital budget limit (UCBL). A.R.S. §15-905(E).

No. The adopted budget uploaded to ADE was the proposed budget version.

Accounting Records

AR04. The District documented a monthly reconciliation of its revenues, expenditures, transfers, and cash balances by fund monthly and at year-end, after all encumbrance transactions were recorded, to the county school superintendent and county treasurer records, as applicable, and properly researched and resolved differences.

No. Cash balances were not reconciled by individual Treasurer funds during the current fiscal year, cash balance were reconciled in total.

Cash and Revenues

CR27. The District safeguarded unused checks.

No. A check signer has access to the checks for the food service clearing account.

Supplies Inventory

None noted.

Property Control

None noted.

Expenditures

None noted.

Travel

None noted.

Kingman Unified School District No. 20
Summary of Compliance Findings
Year Ended June 30, 2025

Credit Cards and Purchasing Cards

CPC09. The District paid credit card and p-card statements before the due date to avoid finance charges and late fees.

No. Late fees or finance charges of \$67.54 in total were noted on one out of 21 credit card statements tested.

Procurement

PRO01. The District requested at least 3 written quotes for purchases costing at least \$10,000 but less than \$100,000 and followed the guidelines prescribed by the USFR.

No. For one of 15 vendors costing at least \$10,000 but less than \$100,000 tested, the District did not select the lowest bidding vendor and the reason provided by the District was not listed as factors identified in the request for quotes.

PRO23. The District's governing board approved all sole-source procurements before any purchases were made, and the written determinations were retained in the procurement files. A.A.C. R7-2-1053 and R7-2-1086.

No. One of five sole source vendors tested did not include documentation that the price was fair and reasonable included in the sole source written determination.

Classroom Site Fund

None noted.

Payroll

PAY06. The District's individual personnel files included all appropriate supporting documentation, as listed on USFR pages VI-H-2 through 4.

No. For one of twenty-five employees tested, the A4 and W4 forms were not maintained.

Financial Reporting

FR01. Budgeted expenditures reported on the AFR agreed with the District's most recently revised adopted expenditure budget.

No. Budgeted expenditures reported on the AFR for three funds didn't agree with the District's most recent revised expenditure budget.

Kingman Unified School District No. 20
Summary of Compliance Findings
Year Ended June 30, 2025

Student Attendance Reporting

SAR03. The District appropriately tracked and reported student membership and absences.

No. For two out of 25 students tested for partial day attendance, student absences were not properly calculated.

SAR15. The entry date in the computerized attendance system agreed to the entry form.

No. For one out of 15 student entries tested, the entry date on the enrollment form did not agree to the entry date on the student information system.

SAR17. The District obtained and maintained verifiable documentation of Arizona residency for enrolled students, including students in its AOI program. A.R.S. §15-802(B)(1) and ADE's Arizona Residency Documentation Guidelines.

No. For one of 15 student tested, the verifiable documentation of Arizona residency was not provided.

SAR19. The District counted students withdrawn for having 10 consecutive unexcused absences in membership only through the last day of actual attendance or excused absence. A.R.S. §15-901(A)(1).

No. For one of 15 students withdrawn for having 10 consecutive unexcused absences tested, membership was not counted only through the last day of actual attendance or excused absence. The last day present or excused absence was 7/30/2024 while the withdrawn date in the attendance system was 8/8/2024.

Information Technology

None noted.

Kingman Unified School District No. 20
Summary of Compliance Findings
Year Ended June 30, 2025

Transportation Support

TS01. The District accurately calculated and maintained documentation for miles and students reported on the Transportation Route Report submitted to ADE. A.R.S. §15-922.

No. The miles reported on the TRAN55-1 did not agree to the Districts records. Mileage reported on the TRAN55-1 was 668,837 miles and mileage per the Districts records was 673,640 miles, a difference of 4,803 miles. The understatement of mileage reported on the TRAN55-1 would result in an impact on District funding.

Records Management

None noted.

General Long-Term Debt

None noted.

Kingman USD

Instructions

Arizona Revised Statutes (A.R.S.) §15-271 requires the Arizona Auditor General to inform any school district failing to establish and maintain the requirements prescribed by the *Uniform System of Financial Records for Arizona School Districts* (USFR) that it has 90 days to correct the cited deficiencies. The USFR prescribes the minimum internal control policies and procedures to be used by Arizona school districts for accounting, financial reporting, budgeting, attendance reporting, and various other compliance requirements. To help the Arizona Auditor General determine whether a district has attained an acceptable degree of compliance with USFR requirements, the audit firm must complete this USFR Compliance Questionnaire (Questionnaire).

A.R.S. §§15-213(F) and 15-914(G) require districts to have a systematic review of their purchasing practices and average daily membership (ADM), respectively, performed in conjunction with their annual or biennial financial audit to determine whether the district complied with the applicable State of Arizona procurement and student attendance laws and rules. Auditor completion of the Procurement and Student attendance reporting Questionnaire sections constitutes the required systematic reviews.

Audit firms must gain an understanding of the district's internal controls and obtain and document sufficient, appropriate evidence annually to support each Questionnaire response. These instructions, the Questionnaire questions, and the required review procedures constitute the minimum audit standards for completing the Questionnaire. Required review procedures are included in the Questionnaire and in the "tooltip" next to applicable questions in the web-based auditor submission Questionnaire. The Arizona Auditor General may reject Questionnaires that are not prepared in compliance with the minimum audit standards.

- Audit documentation must describe the procedures performed, items reviewed, and the results of such procedures and reviews to support the auditor's Questionnaire responses and related comments.
- Evidence may be obtained through test work, observation, examination, and client assertion. However, client assertion alone is not adequate evidence to support "Yes" responses on the Questionnaire.
- The audit firm must determine the district reviewed documents and transactions and provided sufficient evidence of approval including manual or electronic signatures or initials and date of review.
- Audit firms must consider population size in determining the number of items to test (i.e., sample, scan, review, examine, or observe), and the items selected should be representative of the population. Therefore, testing 1 transaction, record, or item is not sufficient. The Credit cards and purchasing cards, Procurement, and Student attendance reporting Questionnaire sections prescribe minimum sample sizes for specific questions. Population and samples sizes used for test work should be entered in the fields provided next to the applicable questions throughout the Questionnaire.
- A **"Yes"** response indicates that the audit firm has determined that the district complied with the USFR for that question based on auditor obtained evidence. Several review procedures allow for auditors to determine whether the district implemented compensating controls when recommended USFR procedures could not be implemented due to limited staff size. When compensating controls are found, auditors should answer the question "Yes" and describe in the comments the compensating controls in place to meet the question's objective. However, the Arizona Auditor General makes the final determination of compliance with the USFR based on the evidence presented in the Questionnaire, audit reports, audit documentation, and any other sources of information available.
- A **"No"** response indicates the district did not comply with the USFR for that question. Audit firms must explain the district's deficiency noted for all "No" responses in the comment box below the question. Deficiencies must be described in sufficient detail to enable the Arizona Auditor General to determine the nature and significance of the deficiency for: (a) assessing compliance with the USFR, (b) appropriately describing the deficiency in a report, and (c) testing compliance during a status review. The description should include the number of items tested and the number of exceptions noted, dollar amount of the error, and any other relevant information that would provide context for the deficiency. For deficiencies related to processes required at regular intervals

such as monthly bank reconciliations, the description should adequately describe whether the district's processes did not meet required intervals or were not completed at all. Each deficiency comment should specifically describe how the district did not meet the USFR requirement described in the related question. Cash and revenues questions apply to all the district's cash and revenue, including food service, auxiliary operations, extracurricular activities fees tax credit, and student activities receipts and bank accounts. Comments for "No" responses to these questions should indicate the type of receipt or bank account to which the deficiency applies.

- An "N/A" response indicates the district did not have activity related to the USFR requirements for that question. The audit firm **must** explain all "N/A" responses in the comment box below the question, unless the reason for the N/A is obvious.

The questions in the Questionnaire do not address all requirements of the USFR. If the audit firm is aware of noncompliance with a requirement of the USFR that is not addressed in the Questionnaire, including the Arizona Administrative Code (A.A.C.), Title 7, Ch. 2, Articles 10 and 11, (School District Procurement Rules) and the Arizona Department of Education's (ADE) membership and attendance guidelines, the audit firm should include the compliance findings in its reports issued in accordance with Governmental Auditing Standards and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, as applicable.

The audit firm must make the resulting audit documentation supporting the audit firm's Questionnaire responses and comments available on request for the Arizona Auditor General and the ADE's review. To facilitate this review, the audit firm should include in the audit documentation a copy of the Questionnaire with references to the audit procedures performed for each question.

Once the audit firm has completed, reviewed, and signed the Questionnaire, it must submit it electronically to the Arizona Auditor General by following the instructions at the end of the web-based auditor submission Questionnaire. Audit firms should print the file to PDF to create the Questionnaire document to distribute to the district. As required by A.R.S. §15- 914(D), the district must submit the completed Questionnaire with the audit reporting package to the district's county school superintendent's office and ADE.

Governing board/management procedures

Objective: To determine whether the governing board and District management have established and implemented certain procedures as required by statute.

01. The District held governing board meetings in accordance with [A.R.S. §§38-431 to 38-431.09](#), and prepared and retained written minutes and/or recordings. Yes ▾

02. The District annually provided governing board members and employees guidance on what constitutes a substantial interest and that the conflict-of-interest (COI) statutes apply to all District governing board members and employees as a part of their employment. [A.R.S. §§38-502, A.R.S. 38-503, and 38-509](#) Yes ▾

03. The District annually obtained COI forms that allowed governing board members and employees to make known and fully disclose a COI in any contract, sale, purchase, service, or decision, and prior to accepting the forms, management reviewed the information to ensure governing board members and employees properly completed the form and sufficiently disclosed the required information. [A.R.S. §§38-502 and 38-503](#)

Yes ▼

04. The District maintained, for public inspection, a special file with all documents necessary to memorialize all governing board members and employees COI disclosures. [A.R.S. §38-509](#)

Yes ▼

05. Employees or governing board members with reported conflicts, except as provided in [A.R.S. §15-323](#), refrained from voting upon or otherwise participating in any manner in that contract, sale, purchase, service, or decision of the school district. [A.R.S. §§38-502 and 38-503\(A\) and \(B\)](#)

Yes ▼

06. The District's management notified the Arizona Auditor General and appropriately resolved all allegations of theft, fraud, or misuse of District monies and assets in a timely manner.

N/A ▼

No allegations of theft, fraud, or misuse of District monies and assets.

07. The governing board established written personnel and payroll policies and approved employee contracts, wage agreements, salary and wage schedules, and any other agreed-upon terms of employment.

Yes ▼

08. The governing board appointed a student activities treasurer and, if applicable, assistant student activities treasurers. [A.R.S. §15-1122](#)

Yes ▼

09. The governing board received monthly Student Activities Fund Reports of Cash Receipts, Disbursements, Transfers, and Cash Balances that were accurately prepared. [A.R.S. §15-1123](#)

Yes ▼

10. The governing board approved student clubs' and organizations' fund-raising events. [A.R.S. §15-1121](#) and AG Opinion I84-018 Yes ▾

Sample

10

11. The governing board obtained voter approval to construct buildings and purchase or lease school sites, unless otherwise exempted by [A.R.S. §15-342\(25\)](#). N/A ▾

The District did not construct, purchase, or lease any new buildings or school sites in the current fiscal year.

Budgeting

Objective: To determine whether the District's budget preparation processes ensure that the District properly allocates the monies it receives, stays within those budgets, and accurately informs the public about the use of those monies.

01. The budget included all funds as required by [A.R.S. §15-905](#) and followed the form's [Budget —Submission and Publication Instructions](#). Yes ▾

02. Total budgeted expenditures on the originally adopted budget for the Maintenance and Operation (M&O) and Unrestricted Capital Outlay Funds (UCO) were less than or equal to the budgeted amounts on the published proposed budget and within the general budget limit (GBL) and the unrestricted capital budget limit (UCBL). [A.R.S. §15-905\(E\)](#) No ▾

The adopted budget uploaded to ADE was the proposed budget version.

03. The District revised its budget on or before December 15, if ADE notified the District that its M&O or UCO Fund budgeted expenditures exceeded the GBL or UCBL. [A.R.S. §15-905\(E\)](#). Yes ▾

04. The District completed its revised expenditure budget before May 15 and filed it electronically with the Superintendent of Public Instruction by May 18. [A.R.S. §15-905\(I\)](#). Yes ▾

05. The District reduced the budget by the prior year's overexpenditure (or a portion of the prior year's overexpenditure, as approved by the Superintendent of Public Instruction) or the District began the process to correct its prior year's data that impacts state-aid and/or budget capacity. [A.R.S.§§15-905\(M\)](#) and [15-915](#) N/A ▼

No over-expenditure in the prior year.

Accounting records

Objective: To determine whether the District accurately maintains accounting records to provide support for financial information. Test work should indicate the procedures performed to document what processes and controls the District has in place to reduce the risk of undiscovered errors that would affect the reliability of information reported to the public and oversight agencies, such as tracing detailed source documents to the District's trial balance that agree to the financial statements.

01. The District coded transactions in accordance with the [USFR Chart of Accounts](#). Yes ▼

02. The District sequentially numbered journal entries and retained supporting documentation and evidence that journal entries were signed, dated, and approved by someone other than the preparer. Yes ▼

Population	Sample
820	25

03. The District transferred monies only between funds listed in the USFR §III Chart of Accounts—Authorized Transfers. Yes ▼

Population	Sample
14	14

- 04. The District documented a monthly reconciliation of its revenues, expenditures, transfers, and cash balances by fund monthly and at year-end, after all encumbrance transactions were recorded, to the county school superintendent (CSS) and county treasurer records, as applicable, and properly researched and resolved differences. No ▾

Cash balances were not reconciled by individual Treasurer funds during the current fiscal year, cash balance were reconciled in total.

Cash and revenue

Objective: To determine whether the District maintained controls over cash transactions to safeguard monies, protect employees involved in handling monies from accusations of misuse, and reduce the risk of theft or loss. Test work for cash and revenue should document how the processes work, employees involved in those processes, and how the processes were verified.

- 01. The District maintained only authorized bank accounts as listed in the USFR and did not have any inactive bank accounts. Yes ▾

- 02. The District used an M&O Fund revolving bank account in accordance with [A.R.S. §15-1101](#). N/A ▾

No such account.

- 03. The District used miscellaneous receipts clearing bank account(s) in accordance with [A.R.S. §15-341\(A\)\(20\)](#). N/A ▾

No such account.

- 04. The District used a Food Service Fund clearing bank account(s) in accordance with [USFR page X-F-5](#) and [Arizona Attorney General Opinion I60-35](#). Yes ▾

- 05. The District used a Food Service Fund revolving bank account in accordance with [A.R.S. §15-1154](#). N/A ▾

No such account.

06. The District used an Auxiliary Operations Fund bank account in accordance with [A.R.S. §15-1126](#). N/A ▼

No such account.

07. The Auxiliary Operations Fund bank or treasurer account deposits included all monies raised in connection with the activities of school bookstores and athletics. [A.R.S. §15-1125](#). Yes ▼

Population

Sample

581

10

08. The extracurricular activities fees tax credit (tax credit) monies were included in the Auxiliary Operations Fund or separately accounted for in an Extracurricular Activities Fees Tax Credit Fund. [A.R.S. §15-341\(A\)\(19 and \(20\)\)](#) Yes ▼

09. The District used the Auxiliary Operations Fund revolving bank account(s) in accordance with [A.R.S. §15-1126](#). N/A ▼

No such account.

10. The District used the Student Activities Fund bank account(s) in accordance with [A.R.S. §15-1122](#). N/A ▼

No such account.

11. The Student Activities Fund monies were deposited in a bank or treasurer account designated as the Student Activities Fund account. Yes ▼

12. The District used the Student Activities Fund revolving bank account in accordance with [A.R.S. §15-1124](#). N/A ▼

No such account.

13. The District used the federal payroll tax withholdings bank account in accordance with [USFR page VI-H-6.](#) Yes ▾

14. The District used the State income tax withholdings bank account in accordance with [A.R.S. §15-1222.](#) Yes ▾

15. The District used the employee insurance programs withholdings bank account(s) in accordance with [A.R.S. §15-1223.](#) Yes ▾

16. The District used the payroll direct deposits clearing bank account in accordance with [A.R.S. §15-1221.](#) Yes ▾

17. The District used the electronic payments clearing bank account in accordance with [A.R.S. §15-1221.](#) Yes ▾

18. The District used the grants and gifts to teachers bank account in accordance with [A.R.S. §15-1224.](#) N/A ▾

No such account.

19. The District used the principals' supplies bank account(s) in accordance with [A.R.S. §15-354.](#) N/A ▾

No such account.

20. The use of debit cards was prohibited as a payment method associated with any District bank account. Yes ▾

21. The District paid bank charges from only the M&O Fund revolving bank account, Food Service Fund revolving bank account, Auxiliary Operations Fund bank account, and Auxiliary Operations Fund revolving bank account(s) or, if not, the bank charges were reimbursed from an appropriate District fund or bank account. N/A ▼

No bank charges in the current fiscal year.

22. The District separated responsibilities for cash-handling and recordkeeping among employees (i.e., receiving, depositing, and recording revenues), to safeguard monies. Yes ▼

23. The District supported deposits with issued receipts, cash receipt summary reports, mail logs, etc., and reconciled sales to amounts collected with summary reports or ticket logs. Yes ▼

Sample

50

24. The District's deposits were made in a timely manner and supported by deposit slips or other deposit transmittal documentation. Yes ▼

Sample

50

25. The District's deposits with the county treasurer were reconciled. Yes ▼

26. The District retained supporting documentation for disbursements from bank accounts. Yes ▾

Sample

15

27. The District safeguarded unused checks. No ▾

A check signer has access to the checks for the food service clearing account.

28. The District safeguarded signature stamps, signature plates, and electronic or digital signatures used for approving accounting transactions, checks, and other District documents to ensure that access was limited to only the employee whose signature they represented. Yes ▾

29. An employee not involved with cash-handling or issuing checks reconciled all District bank accounts monthly, and an employee independent of the cash-handling process reviewed, signed, and dated the monthly bank reconciliations. Yes ▾

30. The District tracked and reconciled the number of meals sold to the total cash collected per day. Yes ▾

Supplies inventory

Objective: To determine whether the District has effective controls in place to safeguard significant amounts of supplies stored for future use, report inventories, and prevent theft, overstocking, understocking, spoilage, and obsolescence.

01. The District maintained supplies inventory for significant amounts of supplies stored for future use and physically safeguarded supplies to prevent unauthorized use, theft, damage, and obsolescence and enable accurate financial reporting. Yes ▾

Property control

Objective: To determine whether the District has effective controls to safeguard property from theft and misuse since significant resources are invested in acquiring and maintaining District property. Test work should be completed on a sample basis annually and documented to ensure that land, buildings, and equipment are properly valued, classified, and reported on the stewardship and capital assets lists.

01. The District maintained a capital assets list that included all required information listed in the USFR for all land, land improvements, buildings, building improvements, and equipment with costs that exceed the District's adopted capitalization threshold. Yes ▾

02. The District had security controls in place to help prevent theft, loss, unauthorized use, or damage to District property. Yes ▾

03. The District recorded additions including financed assets on the capital assets list and reconciled capitalized acquisitions to capital expenditures at least annually. Yes ▾

04. The District's stewardship list for items costing at least \$1,000 but less than the District's capitalization threshold, including financed assets, included all required information. Yes ▾

05. The District's capital assets and stewardship items were identified as District property, properly tagged, and included on the corresponding list. Yes ▾

06. The District reconciled the current year's June 30 capital assets list to the previous year's June 30 list. Yes ▾

07. The District performed a physical inventory of all equipment at least every 3 years and reconciled the inventory results to the stewardship and capital assets lists upon completion. Yes ▾

Data Entry

May 2024

08. The governing board or authorized designee approved stewardship and capital asset disposals during the fiscal year, and the District removed the assets from the corresponding list and disposed of them in accordance with [A.A.C. R7-2-1131](#). Yes ▾

Data Entry

6/20/24, 8/22/24, 4/14/2

Expenditures

Objective: To determine whether the District has effective controls for expenditures in place to ensure expenditures are for an allowable District purpose. Test work should document processes and controls that demonstrate expenditure transactions are properly approved, are for an amount within budget capacity or available cash, and protect employees from allegations of misuse.

01. The District separated responsibilities for expenditure processing among employees (i.e., voucher preparation, recordkeeping, and authorization). Yes ▾

02. The District monitored budget capacity in budget-controlled funds and cash balances in cash-controlled funds before approving purchase orders (PO) and authorizing expenditures, except as authorized in [A.R.S. §§15-207, 15-304, 15-907, and 15-916](#). Yes ▾

03. The District's expenditures were made only for allowable District purposes, properly satisfied the specific purposes required for any restricted monies spent, and were adequately supported by documentation required by the USFR. Yes ▾

Sample

25

04. The District's extracurricular activities fees tax credit monies were expended only for eligible activities that qualified under [A.R.S. §§43-1089.01](#) and [15-342\(24\)](#). Yes ▾

Population

Sample

231

10

05. The District's Student Activities Fund disbursements and transfers of monies among student clubs were issued only when cash was available in the student club account and properly authorized by or on behalf of the student members of a particular club and documented in the club minutes. Yes ▾

06. The District agreed invoice amounts to contract pricing and terms and conditions for expenditures made through written quotes or competitively awarded contracts, including cooperative contracts. Yes ▾

07. The District prepared an Advice of Encumbrance for levy funds based on the list of liabilities for goods or services received but not paid for by June 30, including payroll, and filed it with the CSS by July 18. [A.R.S. §15-906](#) (Districts authorized by [A.R.S. §15-914.01](#) to participate in the accounting responsibility program should perform the duties as described in [A.R.S. §15-304](#).) Yes ▾

08. The District properly prepared the Career Technical Education District (CTED) Supplanting worksheet and adequately supported that monies received from a CTED were used only for career and technical education and to supplement, rather than supplant, the District's base year career and technical education courses. [A.R.S. §15-393](#)

Yes ▾

09. The District retained fully executed copies of each intergovernmental agreement (IGA) and payments for services were made or received, as applicable. [A.R.S. §11-952](#)

Yes ▾

Travel

Objective: To determine whether the District implemented effective controls to ensure employees and governing board members were traveling for District purposes and travel expenditures and reimbursements complied with the Arizona Department of Administration (ADOA) limits.

01. The District's travel expenditures (lodging, meals, and incidentals) and mileage reimbursements were for District purposes and reimbursed within the maximum reimbursement amounts established by the Director of the ADOA and in accordance with governing-board-prescribed policies and procedures. Amounts were reimbursed and reported as a taxable employee benefit if no overnight stay or no substantial sleep/rest occurred. [A.R.S. §15-342\(5\)](#)

Yes ▾

Population

Sample

192

15

Credit cards and p-cards

Objective: To determine whether the District has implemented effective controls over credit card and purchasing card (p-card) purchases to help reduce the risk of misuse and unapproved or fraudulent transactions.

01. The District used credit cards.

Yes ▾

Data Entry

Home Depot (3), Walmar

02. The District used p-cards.

No ▾

Data Entry

N/A

03. The District ensured different employees were responsible for issuing cards; requesting, authorizing, and executing purchases; and payment processing.

Yes ▾

04. The District issued and tracked possession of all District credit cards and trained employees who make credit card purchases or process transactions on the District's policies and procedures.

Yes ▾

05. The District recovered cards immediately from terminated employees.

Yes ▾

06. The District's management periodically reviewed purchases for unauthorized vendors and purchases over approved limits and/or purchases that circumvent the procurement rules and District policies.

Yes ▾

07. The District ensured someone other than a card user reconciled credit card and p-card supporting documentation and billing statements.

Yes ▾

08. The District's card purchases were only for authorized District purposes, within the dollar limits authorized for the employee, and supported by valid receipts or transaction logs that clearly identify the employee making the purchase.

Yes ▾

09. The District paid credit card and p-card statements before the due date to avoid finance charges and late fees.

No ▼

Late fees or finance charges of \$67.54 in total were noted on one out of 21 credit card statements tested.

Procurement

Objective: To determine whether the District followed the A.A.C. (School District Procurement Rules) and USFR purchasing guidelines to promote fair and open competition among vendors that helps ensure the District is getting the best value for the public monies it spends.

01. The District requested at least 3 written quotes for purchases costing at least \$10,000 but less than \$100,000 and followed the guidelines prescribed by the USFR.

No ▼

For one of 15 vendors costing at least \$10,000 but less than \$100,000 tested, the District did not select the lowest bidding vendor and the reason provided by the District was not listed as factors identified in the request for quotes.

Population

Sample

02. The District properly procured expenditures that individually or cumulatively totaled over \$100,000.

Yes ▼

03. The District maintained a list of prospective bidders. A.A.C. R7-2-1023

Yes ▼

04. The District issued solicitations for invitation for bids (IFB) or request for proposals (RFP) during the fiscal year.

Yes ▼

05. The District published and, as applicable, provided other adequate notice of the issuance of solicitations. A.A.C. R7-2-1022, R7-2-1024(C), or R7-2-1042(C) Yes ▾

Population

Sample

Data Entry

5

5

4 RFP's and 1 IFB

06. The District issued solicitations at least 14 days before the time and date set for bid opening or the closing date and time for receipt of bids or proposals. A.A.C. R7-2-1024(A) or R7-2-1042(B) Yes ▾

07. The District included all required content in the solicitation, as applicable. A.A.C. R7-2-1024(B) or R7-2-1042(A) Yes ▾

08. The District recorded the time and date that sealed bids or proposals were received and stored bids or proposals unopened until the time and date set for opening. A.A.C. R7-2-1029 or R7-2-1045 Yes ▾

09. If the District awarded multiple contracts, it established and followed procedures for the use and award of multiple contracts. A.A.C. R7-2-1031(D) and R7-2-1050(C) Yes ▾

10. The District evaluated bids/proposals and awarded contracts according to A.A.C. R7-2-1031, R7-2-1032, R7-2-1046(A)(1), or R7-2-1050 and retained documentation to support the award(s). Yes ▾

11. If the District procured construction projects that used construction-manager-at-risk, design-build, job-order-contracting, or qualified select bidders lists to procure construction services, it complied with the requirements of A.A.C. R7-2-1100 through R7-2-1115. N/A ▾

The District did not use construction-manager-at-risk, design-build, job-order-contracting, or qualified select bidders lists to procure construction services in the current fiscal year.

12. The District obtained signed procurement disclosure statements for all procurement consultants, members of a procurement advisory group, or evaluation committee involved in each specific procurement process. A.A.C. R7-2-1008 Yes ▾

13. The District prepared the applicable written determinations as required by the specific procurement rule(s). A.A.C. R7-2-1004 Yes ▾

14. The District followed [A.R.S. §15-213](#), and A.A.C. R7-2-1093 for the use of multi-term contracts. Yes ▾

15. The District followed A.A.C. R7-2-1117 through R7-2-1123 for contracts for specified professional services. N/A ▾

No contracts for specified professional services noted in the current fiscal year.

16. The District's procurement files included the required information, as applicable. A.A.C. R7-2-1001(97) Yes ▾

17. The District provided training and guidance related to restrictions on soliciting, accepting, or agreeing to accept any personal gift or benefit with a value of \$300 or more. [A.R.S. §15-213\(N\)](#) and A.A.C. R7-2-1003 Yes ▾

18. The District used only school district purchasing cooperatives contracts from cooperatives it was a member of or used only lead district contracts that it was listed as a member of in the solicitation or ensured its additional purchases would not have materially increased the volume stated in the original solicitation. A.A.C. R7-2-1191 through R7-2-1195

19. The District performed due diligence to support the use of each cooperative or lead district contract the District made purchases from during the audit period. A.A.C. R7-2-1191(D)

Population

Sample

Data Entry

20. The District prepared written determinations for any specified professional services, construction, construction services, or materials purchased through a school purchasing cooperative. A.A.C. R7-2-1004 and [A.R.S. §15-213\(B\)](#)

21. The District, when acting as a lead district in a procurement, followed the procurement procedures required for competitive sealed bidding or competitive sealed proposals, as applicable, and considered the total estimated volume of purchases for all public procurement units identified in the solicitation. A.A.C. R7-2-1011

Population

Sample

Data Entry

22. For all emergency procurements, the District retained a written statement documenting the basis for the emergency, the selection of the particular contractor, and why the price paid was reasonable, and this statement was signed by the individual authorized to initiate emergency procurements. A.A.C. R7-2-1055 and R7-2-1056

N/A

No emergency procurement in the current fiscal year.

Sample

0

23. The District's governing board approved all sole-source procurements before any purchases were made, and the written determinations were retained in the procurement files. A.A.C. R7-2-1053 and R7-2-1086

No

One of five sole source vendors tested did not include documentation that the price was fair and reasonable included in the sole source written determination.

Sample

5

24. For any purchase of services from governing board members or goods or services from District employees, regardless of the expenditure amount, the District followed the School District Procurement Rules, except as authorized by [A.R.S. §15-323](#).

N/A

No purchase from employees or governing board members in the current fiscal year.

25. The District followed the School District Procurement Rules for purchases of any supplies, materials, and equipment from governing board members if the purchase exceeded \$100,000, or followed the guidelines for written quotes if below the threshold. [A.R.S. §38-503\(C\)](#)

N/A

No purchase from governing board members in the current fiscal year.

26. For purchases the District made from General Services Administration (GSA) schedules 70-IT and 84-Law Enforcement, the governing board first authorized the contracts in writing. [A.R.S. §15-213\(K\)](#) and A.A.C. R7-2-1196(C)

N/A

The District did not make any purchases from GSA schedules in the current fiscal year.

Classroom site fund

Objective: To determine whether the District appropriately spent these State sales tax revenues for teacher pay and programs to support students, such as class size reduction, dropout prevention, and tutoring, as allowed by law.

01. The District's Classroom Site Fund (CSF) expenditures did not exceed its Classroom Site Fund Budget Limit (CSFBL). Yes ▾

02. The District adopted a performance-based compensation system for at least a portion of its CSF monies and ensured CSF expenditures were made only for allowable purposes listed in [A.R.S §15-977. See CSF FAQs.](#) Yes ▾

03. The District's CSF monies were used to supplement, rather than supplant, existing funding from all other sources (see CSF FAQ 3). Yes ▾

Payroll

Objective: To determine whether the District has implemented effective controls to reduce the risks associated with payroll expenditures by documenting evidence of review, verification, and approval to ensure employees are appropriately compensated.

01. The District's payroll-processing responsibilities (i.e., adding new employees, adjusting pay, payroll preparation, payroll authorization, and warrant distribution) were separated among employees. Yes ▾

02. The District established a delayed payroll system for hourly employees that did not delay payments more than 7 business days during its normal 2-week payroll processing cycle and allowed adequate time for payroll adjustments to be made, if needed, between the end of the pay period and the payment date. Yes ▾

03. The District required employees' contracts or personnel/payroll action forms to document the employees' election for prorated compensation. Yes ▾

04. The District ensured any adjustments to pay for employees who received prorated wage payments during the year were based on each employee's official rate of pay. Yes ▾

Population	Sample
<input type="text" value="142"/>	<input type="text" value="5"/>

05. The District ensured hourly employees were not paid for more than the actual hours worked to date. Yes ▾

Population	Sample
<input type="text" value="450"/>	<input type="text" value="7"/>

06. The District's individual personnel files included all appropriate supporting documentation, as listed on USFR pages VI-H-4 through 6. No ▾

For one of twenty-five employees tested, the A4 and W4 forms were not maintained.

07. The District ensured that valid fingerprint clearance cards were on file for all required personnel and a method to identify employees whose cards were going to expire was in place. [A.R.S. §§15-512, 15-342, and 41-1750\(G\)](#) Yes ▾

08. The District enrolled employees who met the Arizona State Retirement System (ASRS) membership criteria, withheld employee contributions, and in a timely manner remitted employee and District contributions in accordance with the [ASRS Employer Manual](#). Yes ▾

09. The District accurately calculated and in a timely manner remitted the alternative contribution rate payments to ASRS for all applicable positions filled by ASRS retirees. [ASRS Alternate Contribution Rate](#) Yes ▾

10. The District calculated the accrual and use of vacation, sick leave, and compensatory time for all employees in accordance with District accrual rates for specified years of service, maximum amounts to be accrued, and disposition of accrued time upon separation of employment following District policies. Yes ▾

11. Attendance records were prepared for each pay period for each employee subject to the Fair Labor Standards Act (FLSA) and were approved by the employee and the employee's supervisor. Yes ▾

12. The District's payroll reports were properly reviewed and approved before processing and distribution to employees. Yes ▾

Financial reporting

Objective: To determine whether the District properly prepared its financial reports, including its Annual Financial Report (AFR), for the audit year to provide legislative and oversight bodies, investors and creditors, and the public a transparent view of the District's financial position and operational results.

01. Budgeted expenditures reported on the AFR agreed with the District's most recently revised adopted expenditure budget. No ▾

Budgeted expenditures reported on the AFR for three funds didn't agree with the District's most recent revised expenditure budget.

02. The District completed and submitted all parts of the AFR reporting package, including the school-level reporting AFR, using its accounting data in the files and reported additional information required in the forms, such as revenue and expenditure amounts that were not automatically pulled from its accounting and student count data, and maintained applicable supporting documentation. [A.R.S. §15-904\(F\)](#) Yes ▾

03. The District followed the AFR—[Review, Submission, and Publication Instructions](#). Yes ▾

04. The District properly prepared the Food Service page of the AFR and reported expenditures from the M&O Fund 001 and Capital Fund 610 that agreed with the District's accounting records. Yes

05. Detailed source documents were traceable to the District's trial balance that was used to prepare the financial statements. Yes

06. The District's website home page included its average teacher salary information, separately from the budget, required by [A.R.S. §15-903\(E\)](#) and a copy of or a link to the District's page from the most recent Arizona Auditor General District Spending Report, required by [A.R.S. §41-1279.03\(A\)\(9\)](#). Yes

07. The District submitted the School District Employee Report (SDER) to ADE, and it was accurate and timely for ADE to calculate the Teacher Experience Index (TEI). [A.R.S. §15-941](#) and [School Finance Reports](#) Yes

08. The District submitted its prior year's audit reports and USFR Compliance Questionnaire to the CSS and ADE. [A.R.S. §15-914\(D\)](#) Yes

Student attendance reporting

Objective: To determine whether the District has implemented effective controls to report accurate student membership and attendance information to ADE to reduce the risk that the District received an inappropriate amount of State aid and/or local property taxes.

01. The District's calendar ensured school was in session for the required days and offered students the required instructional hours per grade level, including Arizona Online Instruction (AOI) Programs as prescribed in [A.R.S. §§15-808\(J\)\(1\), 15-901\(A\)\(1\), 15-901.07,](#) and [15-901.08](#). Yes

02. If the District had an early (pre-) kindergarten program, the District calculated and submitted membership information for early (pre-) kindergarten students' attendance records for this program only for students with disabilities. [A.R.S. §15-901\(A\)\(1\)\(a\)\(i\)](#) and [USFR Memorandum No. 175](#)

Yes ▾

Sample

7

03. The District appropriately tracked and reported student membership and absences. [A.R.S. §15-901](#)

No ▾

For two out of 25 students tested for partial day attendance, student absences were not properly calculated.

Population

Sample

Data Entry

6520

25

4KG, 14 ES/MS, and 7 HS

04. The District prorated high school students' membership if enrolled in less than 4 subjects.

Yes ▾

Sample

7

05. The District was a CTED or CTED member.

Yes ▾

06. The District had an AOI program. [A.R.S. §15-808](#)

Yes ▾

07. For students enrolled in a program provided by a CTED in a facility the District owned or operated (satellite programs), the District reported the actual enrollment for only the District classes the student was enrolled in at the District's school (excluding CTED program classes) under the District's CTDS number.

Yes ▾

Population

Sample

1681

15

08. For students enrolled in a program the CTED provided in a facility the District owned or operated (satellite programs), the District calculated student absences in accordance with ADE's methods based on the number of District classes the student was enrolled in and attended at the District's school (excluding CTED satellite program classes).

Yes ▾

Sample

15

09. For CTED satellite programs, the CTED reported actual student enrollment data for only the CTED program classes the student was enrolled in at that member district's satellite location (excluding school district classes). [A.R.S. §15-393\(O\)](#)

Yes ▾

Sample

15

10. For CTEDs that meet for at least 150 minutes (not including any breaks) per class period on a CTED central campus, the CTED reported the membership as 0.75. [A.R.S. §15-393\(Q\)](#)

Yes ▾

Sample

15

11. For students enrolled in both District and in CTED central program courses, the sum of the ADM was no more than 1.75 and the amount claimed by either entity was no more than 1.0. [A.R.S. §15-393\(Q\)](#)

Yes ▼

Sample

15

12. The District maintained appropriate documentation and accurately reported students enrolled in CTED programs, including accurately submitting scheduled hours of instruction and community college credits. [A.R.S. §15-393](#)

Yes ▼

Sample

15

13. The District maintained appropriate documentation and accurately reported students enrolled in its AOI program, including redetermining the actual full time equivalent (FTE) for each student enrolled in an AOI program following a student's withdrawal or after the end of the school year. [A.R.S. §15-808](#)

Yes ▼

Sample

15

14. The District ensured the student's name in the student management system matched the name on the legal document on file. [A.R.S §15-828\(D\)](#).

Yes ▼

Sample

15

15. The entry date in the computerized attendance system agreed to the entry form.

No

For one out of 15 student entries tested, the entry date on the enrollment form did not agree to the entry date on the student information system.

Population

Sample

971

15

16. The student membership begins on the first day of actual attendance or, for continuing/pre-enrolled students, the first day that classroom instruction was offered, provided that the students actually attend within the first 10 days of school. [ADE's External Guideline GE-17 First Day Absence](#)

Yes

17. The District obtained and maintained verifiable documentation of Arizona residency for enrolled students, including students in its AOI program. [A.R.S. §15-802\(B\)\(1\)](#) and [ADE's Updated Residency Guidelines](#)

No

For one of 15 student tested, the verifiable documentation of Arizona residency was not provided.

18. The District prepared and retained the Official Notice of Pupil Withdrawal form for each withdrawal, and the forms were signed by a District administrator. [A.R.S. §15-827](#)

Yes

19. The District counted students withdrawn for having 10 consecutive unexcused absences in membership only through the last day of actual attendance or excused absence. [A.R.S. §15-901\(A\)\(1\)](#)

No

For one of 15 students withdrawn for having 10 consecutive unexcused absences tested, membership was not counted only through the last day of actual attendance or excused absence. The last day present or excused absence was 7/30/2024 while the withdrawn date in the attendance system was 8/8/2024.

Population

Sample

51

15

20. The District uploaded membership and absence information to ADE that agreed to the District's computerized system records for the first 100 days of school. [A.R.S.§15-901](#) Yes

21. The District excluded nonresident students from the District's student count and State aid calculations and charged tuition as applicable. [A.R.S. §15-823\(G\) and \(L\)](#) N/A

The district did not have any non resident students in the current fiscal year.

22. The District reported students who completed all high school requirements with the applicable graduation code and used the appropriate year-end status code for all other students. Yes

Sample

15

23. The District followed the attendance procedures outlined in the approved Instructional Time Model (ITM), as specified in [A.R.S. §15-901.08](#), for all students engaged in various modes of instruction. N/A

No distance learning or other ITM.

Information technology

Objective: To determine whether the District adopted an information technology (IT) security framework that aligned with credible industry standards and implemented controls that provide reasonable assurance that its data is accurate and reliable and protected from unintended exposure and consequences. Test work should determine that the District adopted a framework and controls were operating to protect District and student data.

01. The District maintained adequate separation of duties in its IT systems that prevented 1 employee from completing a transaction without additional review and approval procedures. Yes

02. The District reviewed and documented any system or software changes implemented.

Yes ▼

03. The District assessed security risks for its systems and data, implemented appropriate controls to address risks, and provided employees/contractors annual security awareness training.

Yes ▼

04. The District immediately and appropriately modified terminated or transferred employees', contractors', or vendors' access to all District systems.

Yes ▼

05. The District's computer network, system software and hardware was physically protected from unauthorized access, theft, and environmental hazards.

Yes ▼

06. The District scheduled and performed data backup-control procedures for all critical systems at least daily, or more frequently, to ensure uninterrupted operations and minimal loss of data.

Yes ▼

07. The District routinely completed software and application updates and operating system patches when they became available.

Yes ▼

08. The District had cloud computing, digital learning, and vendor contracts or data-sharing agreements in place with any 3rd parties accessing or hosting District data that addressed controls to support security and processing integrity, and backup procedures if applicable, before data was accessed/shared.

Yes ▼

09. The District ensured changes to data in business (i.e., employee information, pay rates) and IT (i.e., user roles, access rights) systems were approved by an authorized individual prior to processing changes. Yes ▾

10. The District enforced data security policies related to passwords and user authentication that aligned with credible industry standards. Yes ▾

11. The District's IT systems generated electronic audit trail reports or change logs with information about electronic transactions that the District reviewed or analyzed regularly to determine transactions' propriety. Yes ▾

12. The District monitored and reviewed IT system-generated incident or error reports to identify network security threats or other unusual activity and addressed noted issues. Yes ▾

13. The District had incident response and contingency planning documents in place to restore or resume system services in case of disruption or failure that were reviewed and tested at least annually. Yes ▾

Transportation support

Objective: To determine whether the District has implemented effective controls for its transportation program to ensure it properly reports its transportation miles and student riders to ADE, which helps to ensure the District receives the appropriate amount of State aid.

01. The District accurately calculated and maintained documentation for miles and students reported on the Transportation Route Report submitted to ADE. [A.R.S. §15-922](#) No ▾

The miles reported on the TRAN55-1 did not agree to the Districts records. Mileage reported on the TRAN55-1 was 668,837 miles and mileage per the Districts records was 673,640 miles, a difference of 4,803 miles. The understatement of mileage reported on the TRAN55-1 would result in an impact on District funding.

02. The District submitted the vehicle inventory report by July 15 to the Superintendent of Public Instruction. [ADE Transportation Manual](#)

Yes ▾

Records management

Objective: To determine whether the District has implemented effective controls to properly protect and maintain its records, including student and employee data, and that its records were disposed of securely and in accordance with established time frames.

01. The District established and followed policies and procedures to properly protect, maintain, and dispose of personally identifiable information and confidential records, such as student and employee information and social security numbers. [Retention Schedules](#) | [Arizona State Library \(azlibrary.gov\)](#)

Yes ▾

General long-term debt

Objective: To determine whether the District is following the laws related to bonds to ensure voters are informed and the District complies with the bond covenants.

01. The District calculated and issued any bonds in accordance with Arizona Revised Statutes and the Arizona Constitution. [A.R.S. §15-1021](#)

N/A ▾

The District did not issue any bonds in the current year.

02. The District expended bond proceeds only for voter-authorized purposes and not for items with useful lives less than the average life of the bonds issued or 5 years. [A.R.S. §15-1021\(F\)](#)

N/A ▾

The District did not have a Bond Building Fund.

03. If the District had outstanding bonded indebtedness and a balance remained in the Bond Building Fund after the acquisition or construction of facilities for which the bonds were issued, the governing board transferred the remaining balance to the Debt Service Fund. Otherwise, if the District had no outstanding bonded indebtedness and a balance remained in the Bond Building Fund after the acquisition or construction of facilities for which the bonds were issued, the governing board used the remaining balance to reduce taxes. [A.R.S. §15-1024\(B\)](#)

N/A ▾

The District did not have a Bond Building Fund.

04. The District credited interest or other money earned from investing bond proceeds to the Debt Service Fund unless the voters authorized the interest to be credited to the Bond Building Fund or federal laws or rules require the interest to be used for capital expenditures. [A.R.S. §15-1024\(C\)](#)

N/A ▼

The District did not have a Bond Building Fund.

05. The District held a public meeting each year between September 1 and October 31, until the bond proceeds are spent to discuss an update of the progress of capital improvements financed through bonding and the public was allowed an opportunity to comment. [A.R.S. §15-491\(K\)](#)


N/A ▼

All bond proceeds were spent in the the prior years.

All noted instances of any noncompliance with the USFR requirements have been included in the Questionnaire. As required by A.R.S. §15- 914(D), an independent certified public accountant (CPA) must submit the Questionnaire to the Arizona Auditor General.

Preparer
John Dominguez

Title
Partner

Date
01/27/2026 

Approve Listed Donations:

District Office:

- Mohave Community Federal Credit Union donated \$500 to the district's F.I.T. Program

Cerbat Elementary School:

- Colleen and Josef Muench donated four raised bed planter boxes for the Garden Club
- Air Duct Dynasty donated 10 bags of Miracle Grow Raised Bed Garden soil to the Garden Club

Desert Willow Elementary:

- Mohave Community Federal Credit Union donated \$2500 to the school
- A parent donated 20 shirts to the Chess Club

Kingman Online Learning Academy:

- McKee Foods donated 8 cases of treats for the students

Kingman High School:

- Mayer Family Foundation \$10,000.00 to FBLA
- McFadyen Site Worx \$250.00 to Robotics club
- Wiley Richard Adams donated the following items to the Band:
Behringer Europower PMP6000 = \$419.00
Peavey (2 PV15M Pro Audio Two Way 15" Floor Stage Monitor 1000 Watts Peak Speaker Pair = \$659.00
Peavey Pvi™ 10 2-Way Speakers (Pair of 2), 2-Yr Warranty, Legendary Reliability, Rugged-Yet Lightweight, Multipositional, 100 Watts = \$199.00
Fender Stage 185 = \$230.00,
CME M-Key - USB MIDI Keyboard = \$64.00,
Casio CDP-100 88-Note Weighted Hammer Action Digital Piano = \$421.00,
Roland SC-55 Mk2 Sound Canvas - Multi-Timbral Sound Module = \$165.00
Behringer XM8500 Cardioid Dynamic Vocal Microphone x 2 = \$39.98 together
Microphone stands (x4) = \$80.00
- Roger Hodkin donated an Alto Saxophone to the band valued at \$500
- Preston Investments donated \$1000 to the band
- All American Publishing donated 2 large boxes of t-shirts to Student Council with the following sponsors: Anderson Ford, KAR Recycling, Arizona Living Rentals and Property Management, Team Johnson, Hot Rock Hobbies, JDV Enterprises, ACR Diesel and Auto Repair, Farmers Insurance, Hutchison Agency, Mr. C's, Sweet Pete's Landscaping, Advice & Aid Pregnancy Center, Pink Daisy Properties, Yellow Lightning Taxi, The Gardens, Black Rock Power Systems, Taco Bell - Andy Devine, Graves Propane, Edward Jones Kim Bilbrey, Fox's Carpet Connection, The Marvelous Microschool, Service General, 928-Get-Cool, La Rosa De Michoacan #2, Kingman Area Chamber of Commerce, Mohave Community Federal Credit Union, West Kingman Pharmacy, Slimming Grace, Mr D'z Route 66 Diner, Drain Solutions & Plumbing, and Goldberg and Osborne

Lee Williams High School:

- Preston Investments donated \$1000 to the Marshall Brennan Club
- Lisa Card donated \$160 to the Girls Basketball team
- Joseph and Cammie Marcus donated \$150 to the band
- Yvonne and Paul Tofte donated \$150 to the band
- Kingman Anderson Ford donated \$600 to the LWHS Scholarship fund

Manzanita Elementary School:

- VFW donated a ream of paper
- An anonymous donor donated a box of teacher supplies

Memorandum

To: KUSD Governing Board
Dr. Gretchen Dorner, Superintendent

From: Jennifer Bruce, Human Resources Manager

RE: Employment Contracts and At-Will Notices for 2026-2027

FOR AGENDA

- Possible action to approve the language of employment contracts and at-will notices for the 2026-2027 school year

FOR PACKET

District staff worked in collaboration with the law firm of Gust Rosenfeld to review and modify the District's employment contracts and notices for the 2026-2027 school year. The contract forms are: Certified Administrator Employment Contract, Certified Employment Contract, Term Contract for Exempt 12-Month Employee, At-Will Notice for Classified Employee, Notice of Reasonable Assurance for Substitute Employee, and Coach/Advisor With Stipend.

Changes to the contracts and notices, as proposed by Gust Rosenfeld, can be seen in the attached drafts.

District staff recommend the Governing Board approve the District's 2026-2027 contract forms, with the changes suggested by Gust Rosenfeld, as presented in Board members' packets.



KINGMAN UNIFIED SCHOOL DISTRICT No. 20

NOTICE OF REASONABLE ASSURANCE FOR SUBSTITUTE EMPLOYEES

This letter serves to provide notice of reasonable assurance of continued employment with the Kingman Unified School District No. 20 (“District”). By virtue of this Notice, please understand that you may not be eligible for unemployment compensation benefits drawn on District wages during any scheduled school breaks, including, but not limited to, summer break, fall break, Thanksgiving break, winter break and spring break.

This reasonable assurance is contingent upon continued school operations and will not apply in the event of any disruption that is beyond the control of the District (i.e., lack of school funding, delays, or other occurrences).

Nothing contained herein construes an employment contract. Your continued employment is on an at-will basis. Your employment may be terminated by the District or by you, for any reason or for no reason, except for legally impermissible reasons.

Please note that substitute work by nature is sporadic and uncertain, and has no particular schedule of work, school campus, or guaranteed minimum number of days or hours. The District’s need for substitutes varies from week to week. In some weeks, you may not receive any assignments. Similarly, the District understands that some weeks you may not be able to accept assignments due to illness or other personal reasons.

As a substitute employee, you are expected to comply with the requirements of the job description and Board policies while employed by the District. The District may designate you as “inactive” on the substitute roster and unable to accept assignments for poor performance or misconduct. In addition, you may be designated as inactive on the substitute roster if:

- You repeatedly turn down assignments, are repeatedly unavailable for calls, or frequently cancel assignments.
- You do not accept at least one to three assignments per month.

You will receive fringe benefits, if any, as approved annually by the Board pursuant to District policy. To the extent appropriate for the occasion, the District may provide, as a *de minimis* fringe benefit, incidental food and beverages at mandatory meetings, including in-services and staff development activities/trainings, in order to foster good working relations and encourage and reward staff participation.

Your employment is contingent upon fingerprint clearance and a satisfactory background check. This agreement is also contingent upon employee furnishing and maintaining any documentation required by law or District policy, which may include a driver’s license and certification through Arizona Department of Education. You agree to immediately notify the

Superintendent of an arrest for, or a charge with any non-appealable offense listed in A.R.S. § 41-1758.03, Section B, or which may or does result in the revocation of your driving privileges. You further warrant that you have not pled guilty, pled no contest, been convicted of or are awaiting trial of any crime charge or conviction of any dangerous crime against children as listed in A.R.S. § 15-509, A.R.S. § 15-512, and/or A.R.S. § 41- 1758.03(B), and You agree to notify immediately the Superintendent of any such criminal charge or conviction that has occurred prior to or occurs during your employment. If you fail to notify the Superintendent of such occurrence, You may be immediately terminated

This notice may be canceled for conflict of interest pursuant to ARS § 38-511. This notice shall be governed by the laws of the United States and the State of Arizona, together with District policies, rules, and regulations now in force or as they may be modified. You agree that the Arizona State and federal courts shall exercise exclusive jurisdiction over any and all matters arising out of this contract.

An academic calendar of school days is posted on the District’s website. Below are the scheduled breaks during the 2026-2027 school year. Following each of these breaks, you have reasonable assurance of returning as a substitute classified employee for KUSD.

- Summer Break – May 21, 2026-July 28, 2026
- Fall Break – October 05, 2026-October 08, 2026
- Thanksgiving Break – November 23, 2026-November 26, 2026
- Winter Break – December 21, 2026-December 31, 2026
- Spring Break – March 08, 2027-March 12, 2027

Please acknowledge receipt of this notice of reasonable assurance by signing below and returning it to the Human Resources Department, unaltered, within (15) fifteen days from date of issuance or the offer is revoked. **BY SIGNING AND RETURNING THIS LETTER, YOU ARE VERIFYING THAT YOU WILL BE RETURNING FOR THE 2026-2027 SCHOOL YEAR.**

GOVERNING BOARD PRESIDENT

SUBSTITUTE EMPLOYEE NAME (PRINTED)

DATE

SUBSTITUTE EMPLOYEE SIGNATURE

DATE

BY) Ms. Tonya "Toni" Henry, President
BY) Ms. Lori Grant, Vice President
BY) Dr. Roger Cox, Member

BY) Mr. Boyd Hardy, Member
BY) Ms. Susan Collins, Member

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 1/8/2026 3:24:51 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
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<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1

5. **Benefits** – Employee shall be entitled to those additional direct economic benefits pertaining to the position as may be annually approved by the Board. “Direct economic fringe benefits” means only leave and insurance benefits. The Governing Board reserves the right to modify, repeal or enact Governing Board policies during the term of this contract that do not affect the Teacher’s direct economic fringe benefits, except that the Governing Board expressly reserves the right to modify the health insurance plan(s) offered to employees during the term of this contract, including but not limited to changing the insurer, required co-payments and/or deductibles, benefits covered, and other terms of the insurance policy coverage. To the extent appropriate for the occasion, the District may provide, as a *de minimis* fringe benefit, incidental food and beverages at mandatory staff meetings, including in-services and staff development activities/trainings, in order to foster good working relations and encourage and reward staff participation.
6. **Conditional Contract** – This contract is contingent upon Employee furnishing and maintaining all required documentation and certification for the position as required by law and District policy, including but not limited to the following: 1) valid Arizona certificate for the position; 2) valid IVP fingerprint clearance card; 3) verification of previous employment, if applicable; and 4) if applicable based on subject area assigned, Employee must meet requirements to be considered an appropriately certified teacher. If Employee’s certification or other documentation will expire during the term of this contract, Employee shall file a timely application for renewal and provide proof of application for renewal to the District. Failure of Employee to maintain required documentation during the entire term of this contract shall be grounds for dismissal. Employee expressly agrees that the District may place Employee on an unpaid leave of absence during any time that Employee does not hold a valid certificate or IVP fingerprint clearance card [and/or required documentation and certification](#).
7. **Background/ Fingerprint Check/ Reporting of Arrest** – This contract is also conditioned upon satisfactory results of a background investigation. The District may refuse to hire or may terminate this contract if results of the investigation are not satisfactory or if statements made on the application or any other documentation is false. Employee agrees to immediately notify the Superintendent of an arrest for, or a charge with, any non-appealable offense listed in A.R.S. § 41-1758.03, Section B, or which may or does result in the revocation of Employee’s driving privileges. Employee further warrants that Employee has not pled guilty, pled no contest, been convicted of or is awaiting trial for any crime, including but not limited to the crimes listed in A.R.S. § 15-509, A.R.S. § 15-512, and/or A.R.S. § 41-1758.03(B). Employee agrees to immediately notify the Superintendent of any arrest or criminal charge that occurs during employment. Failure to do so may result in dismissal.
8. **Employee Resignation** – Any request to resign or be released from this contract must be approved by the Board. If Employee resigns or terminates employment without the approval of the Board, this is an unprofessional act. Employee may be reported to the State Board for disciplinary action. The amount of damages to the District will be difficult to determine. If Employee leaves employment without approval, Employee shall pay the District the sum of \$2,500.00 in liquidated damages and not as a penalty, as and for a reasonable recruitment fee. Employee authorizes this amount to be taken out of his/her final paycheck or any other amount owed to Employee by District on termination. The Board may, in its sole discretion, waive this fee if resignation is based upon circumstances beyond the control of the

Employee, is a resignation in lieu of dismissal, or based on other circumstances in the Board's discretion.

- 9. **Governing Law** – This contract shall be governed by the laws of the United States and the State of Arizona. Employee agrees that the Arizona State and federal courts shall exercise exclusive jurisdiction over any and all matters arising out of this contract.
- 10. **Severability** – Should any part of this agreement be rendered or declared invalid by a court of competent jurisdiction, the remaining portions of the contract shall remain in full force and effect.
- 11. **Conflict of Interest** – This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511.

THE SIGNED CONTRACT MUST BE RECEIVED BY THE HUMAN RESOURCES DEPARTMENT, UNALTERED, WITHIN THIRTY (30) CALENDAR DAYS OR THIS OFFER WILL BE REVOKED.

GOVERNING BOARD PRESIDENT

EMPLOYEE

DATE

DATE

GOVERNING BOARD OF KINGMAN UNIFIED SCHOOL DISTRICT No. 20

BY) Ms. Tonya “Toni” Henry, President
BY) Ms. Lori Grant, Vice President
BY) Ms. Susan Collins, Member

BY) Dr. Roger Cox, Member
BY) Mr. Boyd Hardy, Member

Please choose one of the following payment options (ref. A.R.S. § 23-351(C)(2), Policy DKA, Exhibit DKA-E). I understand that changes to this election must be made prior to the first duty day of the fiscal year.

- 1. ___ Bi-weekly installments paid during actual months worked.
- 2. ___ Bi-weekly prorated installments paid during actual months worked, with remaining payments paid in lump sum at the conclusion of the school attendance year.
- 3. ___ Bi-weekly prorated installments paid during the 12-month calendar year, with remaining payments paid in lump sum at the conclusion of the fiscal year.

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 1/8/2026 3:44:45 PM	
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Intelligent Table Comparison: Active	
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Modified DMS: iw://cloudimanager.com/PHOENIX/7911180/2	
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Delete	0
Move From	0
Move To	0
Table Insert	0
Table Delete	0
Table moves to	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1



KINGMAN UNIFIED SCHOOL DISTRICT No. 20
CERTIFIED EMPLOYMENT CONTRACT
SCHOOL YEAR 2026-27

Employment Contract (“Contract”) by and between Kingman Unified School District No. 20 of ~~Mohave County~~ Mohave County, Arizona (“District”) and **NAME** (“Employee”).

1. **Duties** – Employee agrees to fulfill the requirements of the position of **POSITION** as defined by the job description, policies and procedures of the District, now in effect or as amended by applicable law. Employee agrees to perform such duties as assigned by the Board or any supervisor, and acknowledges that the Employee may be reassigned to any position for which he or she is qualified as the best interest of the District may require.
2. **Term** – Employee agrees to work a minimum of **DAYS** contract days as designated by the school calendar, beginning on **DATE** , and ending on **DATE** , which may include in-service or training days. In the event it becomes necessary to close the schools because of an emergency condition, the designated days of the school calendar may be changed. The number of contract days will remain the same, unless adjusted pursuant to Section 4 below.
3. **Compensation** – In consideration for these services satisfactorily performed, the District agrees to pay the Employee a salary of **\$ SALARY** for the 2026-2027 school year. If there is a discrepancy between the initial salary stated in this contract and the salary for which Employee is eligible under the compensation program, the program shall govern. If Employee receives more money than Employee is entitled for work under this contract, the Employee shall, at the District’s option, (a) immediately repay any amount erroneously paid to the Employee or (b) allow the District to reduce future payments to the Employee for repayment of the overpayment. This remedy shall be in addition to any other remedy to which the District is entitled under policy or law.
4. **Funding and Possible Reductions** – The parties acknowledge that at the date of the execution of this Contract, the Governing Board has not adopted its 2026-2027 budget nor has the Arizona legislature concluded its review of school finance laws. The Governing Board, in its discretion, may increase or decrease Employee’s base salary stated above and/or total compensation paid to Employee prior to the start date of the Contract term. Any additional increase in compensation or benefits are expressly conditioned upon receipt of additional funding from the Arizona legislature or other education funding sources for the fiscal year 2026-2027 and upon the Governing Board’s discretion in allocating those funds. Additionally, Employee acknowledges that future funding cuts at the state or federal level, delays, or other occurrences beyond the

District's control may cause reduced funding and may result in one or more of the following:

- A. *Salary reduction notice*: Employee's salary may be reduced as permitted by law in order to effectuate economies or to improve the efficient conduct and administration of the District. A reduction in salary, if any, shall not exceed 10% of the salary due under section 3 of this contract.
 - B. *Reduction in Force*: Employee is hereby given notice that the Governing Board may determine that the District will eliminate teachers through a reduction in force.
5. **Benefits** – Employee shall be entitled to those additional direct economic benefits pertaining to the position as may be annually approved by the Board. “Direct economic fringe benefits” means only leave and insurance benefits. The Governing Board reserves the right to modify, repeal or enact Governing Board policies during the term of this contract that do not affect the Teacher's direct economic fringe benefits, except that the Governing Board expressly reserves the right to modify the health insurance plan(s) offered to employees during the term of this contract, including but not limited to changing the insurer, required co-payments and/or deductibles, benefits covered, and other terms of the insurance policy coverage. To the extent appropriate for the occasion, the District may provide, as a *de minimis* fringe benefit, incidental food and beverages at mandatory staff meetings, including in-services and staff development activities/trainings, in order to foster good working relations and encourage and reward staff participation.
6. **Classroom Site Fund** – Pursuant to A.R.S. § 15-977 and provisions for the “Classroom Site Fund,” the District may or may not receive funds to support supplements to teacher base salary or which will entitle Employee to performance pay if the Employee qualifies under the District's performance pay plan. Employee expressly acknowledges that total pay will depend upon allocation of the site funds, amount of site funds received, if any, and Employee eligibility. Payments associated with the classroom site fund may be paid only if the balance in the applicable site fund account is sufficient to support those payments.
7. **Conditional Contract** – This contract is contingent upon Employee furnishing and maintaining all required documentation and certification for the position as required by law and District policy, including but not limited to the following: 1) valid Arizona certificate for the position; 2) valid IVP fingerprint clearance card; 3) a Provisional or full Structured English Immersion (SEI) endorsement, or an English as a Second Language or Bilingual endorsement (K-12 teachers); 4) verification of previous teaching employment, if applicable; and 5) appropriate certification and endorsements in all assigned core academic subjects or as otherwise required by law. If Employee's certification or other documentation will expire during the term of this contract, Employee shall file a timely application for renewal and provide proof of application for renewal to the District.

Failure of Employee to maintain required documentation during the entire term of this contract shall be grounds for dismissal. Employee expressly agrees that the District may place the Employee on an unpaid leave of absence during any time that the Employee does not hold a valid certificate or IVP fingerprint clearance card [and/or the required documentation and certification](#).

8. **Background/ Fingerprint Check/ Reporting of Arrest** – This contract is also conditioned upon satisfactory results of a background investigation. The District may refuse to hire or may terminate this contract if results of the investigation are not satisfactory or if statements made on the application or any other documentation is false. Employee agrees to immediately notify the Superintendent of an arrest for, or a charge with any non-appealable offense listed in A.R.S. § 41-1758.03, Section B, or which may or does result in the revocation of Employee’s driving privileges. Employee further warrants that Employee has not pled guilty, pled no contest, been convicted of or is awaiting trial for any crime, including but not limited to the crimes listed in A.R.S. § 15-509, A.R.S. § 15-512, and/or A.R.S. § 41-1758.03(B). Employee agrees to immediately notify the Superintendent of any arrest or criminal charge that occurs during employment. Failure to do so may result in dismissal.
9. **Teachers Employed with Short-Term Certificates, Dismissal** – Pursuant to A.R.S. § 15-538.02, any teacher holding a teaching intern certificate, an emergency teaching certificate, or another type of non-standard certificate ~~that is valid for one year or less~~ may be dismissed effective ten (10) days after delivery of notice of their dismissal as approved by the Governing Board. No evaluation, preliminary notice, or hearing is required. Teachers employed on short-term certificates acknowledge that this agreement is for a maximum of one year only and this provision constitutes notice that this teaching contract will not be renewed for the following school year.
10. **Retired Teachers** – If Employee is a teacher who has returned to work after retirement and is currently receiving benefits from the Arizona State Retirement System, teacher acknowledges that employment is not subject to renewal, teacher is not entitled to a hearing or other protections under A.R.S. § 15-538 through 15-543 and specifically agrees to the terms of A.R.S. § 38-766.01, incorporated herein by reference.
11. **Employee Resignation** – Any request to resign or be released from this contract must be approved by the Board. If Employee resigns or terminates employment without the approval of the Board, this is an unprofessional act as provided by law at A.R.S. § 15-545. Employee may be reported to the State Board for disciplinary action. The amount of damages to the District will be difficult to determine. If Employee leaves employment without approval, Employee shall pay the District the sum of \$2,500.00 in liquidated damages and not as a penalty, as and for a reasonable recruitment fee. Employee authorizes this amount to be taken out of his/her final paycheck or any other amount owed to Employee by District on termination. The Board may, in its sole discretion, waive this fee if resignation is based upon circumstances beyond the control of the

Employee, is a resignation in lieu of dismissal, or based on other circumstances in the Board's discretion.

12. **Governing Law** – This contract shall be governed by the laws of the United States and the State of Arizona. Employee agrees that the Arizona State and federal courts shall exercise exclusive jurisdiction over any and all matters arising out of this contract.
13. **Severability** – Should any part of this agreement be rendered or declared invalid by a court of competent jurisdiction, the remaining portions of the contract shall remain in full force and effect.
14. **Arizona Standards** – Employee acknowledges that the State requires curriculum and instruction to be aligned with the Arizona academic standards. If employed as a teacher, Employee agrees to integrate the standards as appropriate to subject and grade level and to utilize effective research-based strategies in instruction.
15. **Conflict of Interest** – This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511.

THE SIGNED CONTRACT MUST BE RECEIVED BY THE HUMAN RESOURCES DEPARTMENT, UNALTERED, WITHIN FIFTEEN (15) BUSINESS DAYS OR THIS OFFER WILL BE REVOKED.

GOVERNING BOARD PRESIDENT

EMPLOYEE

DATE

DATE

GOVERNING BOARD OF KINGMAN UNIFIED SCHOOL DISTRICT No. 20

BY) Ms. Tonya “Toni” Henry, President
BY) Ms. Lori Grant, Vice President
BY) Ms. Susan Collins, Member

BY) Dr. Roger Cox, Member
BY) Mr. Boyd Hardy, Member

Please choose one of the following payment options (ref. A.R.S. § 23-351(C)(2), Policy DKA, Exhibit DKA-E). I understand that changes to this election must be made prior to the first duty day of the fiscal year.

1. ___ Bi-weekly installments paid during actual months worked.
2. ___ Bi-weekly prorated installments paid during actual months worked, with

remaining payments paid in lump sum at the conclusion of the school attendance year.

3. ___ Bi-weekly prorated installments paid during the 12-month calendar year, with remaining payments paid in lump sum at the conclusion of the fiscal year.

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 1/8/2026 3:30:36 PM	
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Intelligent Table Comparison: Active	
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Modified DMS: iw://cloudimanage.com/PHOENIX/7911166/2	
Changes:	
Add	2
Delete	2
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
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Table moves from	0
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Embedded Excel	0
Format changes	0
Total Changes:	4



**KINGMAN UNIFIED SCHOOL DISTRICT No. 20
TERM CONTRACT FOR EXEMPT 12-MONTH EMPLOYEE
SCHOOL YEAR 2026-2027**

THIS CONTRACT for employment made between the Kingman Unified School District No. 20 (“District”) and **NAME** (“Employee”).

1. **General** – Employee, in accepting this agreement, agrees to fulfill the requirements of the position of **POSITION** as defined by the job description, policy and procedures of the District now in effect or as amended. Employee is hired for the period designated. The designated days of the school calendar may be changed due to unforeseen circumstances requiring closure. The number of contract days will remain the same unless adjusted pursuant to Section 3 below. This contract is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511.

Beginning date: **DATE**

Ending date: **DATE**

Number of days: **XXX ***

**The number of days stated in this contract may be adjusted depending on the needs of the District.*

2. **Compensation** – In consideration of said services satisfactorily performed, the District agrees to pay Employee a salary of **\$ SALARY** for the 2026-2027 school year. If Employee receives more money than Employee is entitled for work under this contract, the Employee shall, at the District’s option, (a) immediately repay any amount erroneously paid to the Employee or (b) allow the District to reduce future payments to the Employee for repayment of the overpayment. This remedy shall be in addition to any other remedy to which the District is entitled under policy or law.
3. **Funding and Possible Reductions** – The parties acknowledge that at the date of the execution of this contract, the Governing Board has not adopted its 2026-2027 budget nor has the Arizona legislature concluded its review of school finance laws. The Governing Board, in its discretion, may increase or decrease Employee’s base salary stated above and/or total compensation paid to Employee prior to the start date of the contract term. Any additional increase in compensation or benefits are expressly conditioned upon receipt of additional funding from the Arizona legislature or other education funding sources for the fiscal year 2026-2027 and upon the Governing Board’s discretion in allocating those funds. Additionally, Employee acknowledges that future funding cuts at the state or federal level, delays, or other occurrences beyond the District’s control may cause reduced funding and may result in one or more of the following:
 - A. A reduction in the number of staff.

- B. A reduction in salary or wages not to exceed 10 percent (but not below minimum wage).
 - C. A reduction in assigned work calendar not to exceed 10 percent.
4. **Benefits** – Employee shall be entitled to those additional direct economic benefits pertaining to the position as may be annually approved by the Board. “Direct economic fringe benefits” means only leave and insurance benefits. The Governing Board reserves the right to modify, repeal or enact Governing Board policies during the term of this contract that do not affect the Teacher’s direct economic fringe benefits, except that the Governing Board expressly reserves the right to modify the health insurance plan(s) offered to employees during the term of this contract, including but not limited to changing the insurer, required co-payments and/or deductibles, benefits covered, and other terms of the insurance policy coverage. To the extent appropriate for the occasion, the District may provide, as a *de minimis* fringe benefit, incidental food and beverages at mandatory staff meetings, including in-services and staff development activities/trainings, in order to foster good working relations and encourage and reward staff participation.
 5. **Governing Law** – This contract shall be governed exclusively by the laws of the United States and the State of Arizona. Employee agrees that the Arizona State and federal courts shall exercise exclusive jurisdiction over any and all matters arising out of this contract.
 6. **Duties** – The duties and responsibilities of an Employee of the District shall include, but not be limited to, all those duties set forth in the job description, this contract, the District’s policy manual and those obligations imposed by the law of the State of Arizona upon the Employee. Employee agrees to perform such duties as assigned by the Board or any supervisor, and acknowledges that the Employee may be reassigned to any position for which he or she is qualified, as the best interest of the District may require.
 7. **Documentation** – This contract is contingent upon Employee furnishing and maintaining all required documentation and certification for the position as required by law and District policy, including a valid IVP fingerprint clearance card. If Employee’s certification or other documentation will expire during the term of this contract, Employee shall file a timely application for renewal and provide proof of application for renewal to the District. Failure of Employee to maintain required documentation during the entire term of this contract shall be grounds for dismissal. An expired, suspended, or revoked license, certification, or IVP fingerprint clearance card shall be grounds for dismissal. Employee expressly agrees that the District may place Employee on an unpaid leave of absence during any time that Employee does not hold and maintain a valid certification or IVP fingerprint clearance card [and/or required documentation and certification](#).
 8. **Background/Fingerprint Check** – This contract is conditioned upon satisfactory results of the background investigation required by A.R.S. § 15-512. The cost of a fingerprinting check will be charged to Employee. The District may refuse to hire or may terminate this contract if

results of the investigation are not satisfactory or if statements made on the application or any other documentation are false. Employee agrees to immediately notify the Superintendent of an arrest for or a charge with any non-appealable offense listed in A.R.S. § 41-1758.03, Section B, or which may or does result in the revocation of Employee's driving privileges. Employee further warrants that Employee has not pled guilty, pled no contest, been convicted of or is awaiting trial for any crime, including but not limited to the crimes listed in A.R.S. § 15-509, A.R.S. § 15-512, and/or A.R.S. § 41-1758.03(B). Employee agrees to immediately notify the Superintendent of any arrest or criminal charge that occurs during employment. Failure to do so may result in dismissal.

THE SIGNED CONTRACT MUST BE RECEIVED BY THE HUMAN RESOURCES DEPARTMENT, UNALTERED, WITHIN FIFTEEN (15) DAYS FROM DATE OF ISSUANCE OR THE OFFER WILL BE REVOKED.

GOVERNING BOARD PRESIDENT

EMPLOYEE

DATE

DATE

GOVERNING BOARD OF KINGMAN UNIFIED SCHOOL DISTRICT No. 20

BY) Ms. Tonya "Toni" Henry, President

BY) Dr. Roger Cox, Member

BY) Ms. Lori Grant, Vice President

BY) Mr. Boyd Hardy, Member

BY) Ms. Susan Collins, Member

Please choose one of the following payment options (ref. A.R.S. § 23-351(C)(2), Policy DKA, Exhibit DKA-E). I understand that changes to this election must be made prior to the first duty day of the fiscal year.

1. ___ Bi-weekly installments paid during actual months worked.
2. ___ Bi-weekly pro-rated installments paid during actual months worked, with remaining payments paid in lump sum at the conclusion of the school attendance year.
3. ___ Bi-weekly pro-rated installments paid during the 12-month calendar year, with remaining payments paid in lump sum at the conclusion of the fiscal year.

Summary report:	
Litera Compare for Word 11.3.1.3 Document comparison done on 1/8/2026 3:18:25 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://cloudimanage.com/PHOENIX/7911071/1	
Modified DMS: iw://cloudimanage.com/PHOENIX/7911071/2	
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Delete	0
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	1