

JEFFERSON CITY SCHOOL DISTRICT

FINANCIAL STATEMENTS

June 30, 2024

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## Independent Auditors' Report

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Board of Education  
Jefferson City School District

### Opinions

We have audited the accompanying modified cash basis financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Jefferson City School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Jefferson City School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of Jefferson City School District as of June 30, 2024, and the respective changes in the modified cash basis financial position thereof for the year then ended in accordance with the modified cash basis of accounting described in Note A.

### 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 Jefferson City School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Emphasis of Matter - Basis of Accounting

We draw attention to Note A of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in Note A; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### 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 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, 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 Jefferson City School District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jefferson City School District's ability to continue as a going concern for a reasonable period of time.

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Jefferson City School District's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the financial statements. The other information comprises the budgetary comparison schedules 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 December 9, 2024, on our consideration of the Jefferson City School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 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 Jefferson City School District's internal control over financial reporting and compliance.

*Kimber, Eck & Braeckel LLP*

St. Louis, Missouri  
December 9, 2024

**Jefferson City School District**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS**  
**June 30, 2024**

	<b>Primary Government</b>	<b>Component Unit</b>
	<b>Governmental Activities</b>	<b>Jefferson City Public Schools Foundation</b>
<b>ASSETS</b>		
Cash and investments	\$ 93,424,745	\$ 3,341,929
Restricted cash and investments	46,275,178	-
Total assets	139,699,923	3,341,929
<b>LIABILITIES</b>		
Payroll liabilities	9,340,321	-
Scholarships payable	1,405,643	-
Total liabilities	10,745,964	-
<b>NET POSITION</b>		
Restricted - nonexpendable endowment	-	32,707
Restricted - expendable		
Capital projects	40,886,928	-
Student scholarships	-	1,481,076
Retirement of long-term debt	17,762,293	-
Unrestricted	70,304,738	1,828,146
Total net position	\$ 128,953,959	\$ 3,341,929

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**STATEMENT OF ACTIVITIES – MODIFIED CASH BASIS**  
**Year ended June 30, 2024**

Functions/programs	Expenditures	Program revenue			Net (expenses) revenues and changes in net position	
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary government	Component unit
					Total governmental activities	Jefferson City Public Schools Foundation
<b>Governmental activities</b>						
Regular instruction	\$ 43,783,358	\$ 96,119	\$ 5,395,265	\$ -	\$ (38,291,974)	\$ -
Special instruction	12,563,773	1,319,082	7,529,944	-	(3,714,747)	-
Vocational instruction	2,462,317	287,625	1,402,532	-	(772,160)	-
Student activities	4,513,821	1,349,605	-	-	(3,164,216)	-
Tuition paid to other districts	544,191	-	-	-	(544,191)	-
Student support services	10,894,667	-	-	-	(10,894,667)	-
Instructional staff support	8,005,741	-	2,058,203	-	(5,947,538)	-
Building administration	5,448,657	-	-	-	(5,448,657)	-
General administration and central services	7,881,352	-	-	-	(7,881,352)	-
Operation of plant	11,524,534	-	300,000	-	(11,224,534)	-
Transportation	5,289,704	10,600	2,355,619	-	(2,923,485)	-
Food service	6,395,131	1,734,421	4,905,492	-	244,782	-
Community service	718,531	-	311,114	-	(407,417)	-
Early childhood	2,041,207	-	-	-	(2,041,207)	-
Facility acquisition and construction	16,203,825	-	-	-	(16,203,825)	-
Principal	6,490,000	-	-	-	(6,490,000)	-
Interest and other charges	7,741,724	-	28	-	(7,741,696)	-
<b>Total governmental activities</b>	<b>\$ 152,502,533</b>	<b>\$ 4,797,452</b>	<b>\$ 24,258,197</b>	<b>\$ -</b>	<b>(123,446,884)</b>	<b>-</b>
<b>Component unit</b>						
Jefferson City Public Schools Foundation	\$ 426,766	\$ -	\$ 523,568	\$ -	-	96,802
<b>General revenues</b>						
Property taxes					71,689,325	-
County stock insurance fund					8,161,167	-
Sales taxes					12,204,237	-
State aid					21,588,927	-
State assessed railroad and utility tax					2,705,341	-
Fines					282,654	-
Investment income					6,245,530	390,852
Miscellaneous					1,328,226	-
Insurance recovery proceeds					8,896	-
Proceeds from sale of property					25,386	-
<b>Total general revenues</b>					<b>124,239,689</b>	<b>390,852</b>
<b>CHANGE IN NET POSITION</b>					<b>792,805</b>	<b>487,654</b>
<b>Net position at July 1, 2023</b>					<b>128,161,154</b>	<b>2,854,275</b>
<b>Net position at June 30, 2024</b>					<b>\$ 128,953,959</b>	<b>\$ 3,341,929</b>

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**BALANCE SHEET – MODIFIED CASH BASIS – GOVERNMENTAL FUNDS**  
**June 30, 2024**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 60,213,235	\$ 13,313,962	\$ 12,374,043	\$ 1,737,187	\$ 87,638,427
Restricted cash and investments	-	-	5,388,250	40,886,928	46,275,178
Total assets	<u>\$ 60,213,235</u>	<u>\$ 13,313,962</u>	<u>\$ 17,762,293</u>	<u>\$ 42,624,115</u>	<u>\$ 133,913,605</u>
<b>LIABILITIES</b>					
Payroll liabilities	\$ 1,111,752	\$ 8,228,569	\$ -	\$ -	\$ 9,340,321
Scholarships payable	1,405,643	-	-	-	1,405,643
	<u>2,517,395</u>	<u>8,228,569</u>	<u>-</u>	<u>-</u>	<u>10,745,964</u>
<b>FUND BALANCES</b>					
Fund balances					
Restricted for					
Debt	-	-	17,762,293	-	17,762,293
Capital projects	-	-	-	40,886,928	40,886,928
Assigned to					
Capital projects	-	-	-	1,737,187	1,737,187
Student activity accounts	382,899	-	-	-	382,899
Unassigned	<u>57,312,941</u>	<u>5,085,393</u>	<u>-</u>	<u>-</u>	<u>62,398,334</u>
Total fund balances	<u>57,695,840</u>	<u>5,085,393</u>	<u>17,762,293</u>	<u>42,624,115</u>	<u>123,167,641</u>
Total liabilities and fund balances	<u>\$ 60,213,235</u>	<u>\$ 13,313,962</u>	<u>\$ 17,762,293</u>	<u>\$ 42,624,115</u>	<u>\$ 133,913,605</u>

Amounts reported for governmental activities in the Statement of Net Position are different because:

Fund balances	\$ 123,167,641
Internal service funds are used by the District to charge the costs of providing employee benefits to individual funds. The assets and liabilities of the internal service fund are reported with the governmental activities.	<u>5,786,318</u>
Net position of governmental activities	<u>\$ 128,953,959</u>

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**MODIFIED CASH BASIS – GOVERNMENTAL FUNDS**  
**Year ended June 30, 2024**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues</b>					
Local	\$ 60,764,789	\$ 12,246,237	\$ 13,264,265	\$ 1,501,504	\$ 87,776,795
County	8,792,027	282,654	2,074,481	-	11,149,162
State	6,960,796	20,548,103	-	3,292,457	30,801,356
Federal	16,504,632	309,776	-	79,428	16,893,836
Investment income	3,288,689	14,960	983,078	1,958,806	6,245,533
Other	10,600	383,745	28	-	394,373
<b>Total revenues</b>	<b>96,321,533</b>	<b>33,785,475</b>	<b>16,321,852</b>	<b>6,832,195</b>	<b>153,261,055</b>
<b>Expenditures</b>					
Regular instruction	3,763,453	38,504,923	-	150,685	42,419,061
Special instruction	3,759,147	8,328,276	-	11,485	12,098,908
Vocational instruction	398,408	1,606,345	-	402,504	2,407,257
Student activities	3,198,506	1,294,102	-	5,420	4,498,028
Tuition paid to other districts	-	544,191	-	-	544,191
Student support services	4,281,414	6,245,461	-	24,981	10,551,856
Instructional staff support	2,620,952	2,875,523	-	2,413,233	7,909,708
Building administration	1,493,274	3,805,429	-	-	5,298,703
General administration and central services	5,940,746	1,770,812	-	34,655	7,746,213
Operation of plant	11,200,521	-	-	103,594	11,304,115
Transportation	5,289,704	-	-	-	5,289,704
Food service	6,129,739	-	-	99,278	6,229,017
Community service	396,039	2,899	-	311,512	710,450
Early childhood	409,208	1,555,350	-	-	1,964,558
Adult education	-	342	-	-	342
Facility acquisition and construction	-	-	-	16,203,825	16,203,825
Debt services					
Principal	-	-	5,665,000	825,000	6,490,000
Interest and other charges	-	-	6,957,879	783,845	7,741,724
<b>Total expenditures</b>	<b>48,881,111</b>	<b>66,533,653</b>	<b>12,622,879</b>	<b>21,370,017</b>	<b>149,407,660</b>
<b>Revenues over (under) expenditures</b>	<b>47,440,422</b>	<b>(32,748,178)</b>	<b>3,698,973</b>	<b>(14,537,822)</b>	<b>3,853,395</b>
<b>Other financing sources (uses)</b>					
Proceeds from sale of property	14,313	-	-	11,073	25,386
Insurance recovery proceeds	-	-	-	8,896	8,896
Transfers in	-	37,833,571	-	3,694,601	41,528,172
Transfers out	(41,528,172)	-	-	-	(41,528,172)
<b>Total other financing sources (uses)</b>	<b>(41,513,859)</b>	<b>37,833,571</b>	<b>-</b>	<b>3,714,570</b>	<b>34,282</b>
<b>CHANGE IN FUND BALANCES</b>	<b>5,926,563</b>	<b>5,085,393</b>	<b>3,698,973</b>	<b>(10,823,252)</b>	<b>3,887,677</b>
<b>Fund balance at July 1, 2023</b>	<b>51,769,277</b>	<b>-</b>	<b>14,063,320</b>	<b>53,447,367</b>	<b>119,279,964</b>
<b>Fund balance at June 30, 2024</b>	<b>\$ 57,695,840</b>	<b>\$ 5,085,393</b>	<b>\$ 17,762,293</b>	<b>\$ 42,624,115</b>	<b>\$ 123,167,641</b>

Amounts reported for governmental activities in the Statement of Activities are different because:

Change in fund balances	\$ 3,887,677
Internal service funds are used by the District to charge the cost of providing employee benefits to individual funds. The net loss of the internal service fund is reported within governmental funds.	<u>(3,094,872)</u>
Changes in net position of governmental activities	<u>\$ 792,805</u>

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**STATEMENT OF NET POSITION - MODIFIED CASH BASIS - PROPRIETARY FUND**  
**June 30, 2024**

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	<b>Internal Service Fund</b>
<b>ASSETS</b>	
Cash and investments	<u>\$ 5,786,318</u>
<b>NET POSITION</b>	
Unrestricted	<u>\$ 5,786,318</u>

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION –**  
**MODIFIED CASH BASIS – PROPRIETARY FUND**  
**Year ended June 30, 2024**

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	<b>Internal Service Fund</b>
	<u>                    </u>
<b>Operating revenues</b>	
Premiums	\$ 9,036,852
<b>Operating expenses</b>	
Medical claims paid	10,470,013
Reinsurance	980,255
Administrative	678,345
Other	<u>273,040</u>
Total operating expenses	<u>12,401,653</u>
Operating loss	(3,364,801)
<b>Non-operating revenues</b>	
Interest income	<u>269,929</u>
CHANGE IN NET POSITION	(3,094,872)
<b>Net position at July 1, 2023</b>	<u>8,881,190</u>
<b>Net position at June 30, 2024</b>	<u><u>\$ 5,786,318</u></u>

The accompanying notes are an integral part of this statement.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE A | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Jefferson City School District (the "District") is a political subdivision of the State of Missouri and is governed by an elected seven member board as described in Chapter 162, Missouri Revised Statutes. The Board of Education is the basic level of government that has financial accountability and control over all activities related to public school education in the District.

The District's financial statements are presented on the modified cash basis of accounting. The modified cash basis of accounting differs from accounting principles generally accepted in the United States of America as established by the Governmental Accounting Standards Board (GASB).

*Principles Determining the Scope of Reporting Entity*

Generally accepted accounting principles (GAAP) require that the financial reporting entity include (1) the primary government, (2) organizations for which the primary government is financially accountable and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on these criteria, the Jefferson City Public Schools Foundation (the "Foundation") is presented as a discretely presented component unit of the District. Discretely presented component units are reported in a separate column in the Statement of Net Position and Statement of Activities to emphasize that they are legally separate from the District.

The Foundation provides annual program grants to the District from funds raised through its own fundraising efforts. The Foundation is a nonprofit organization and it follows guidance of the Financial Accounting Standards Board for its financial reporting. As such, certain revenue recognition criteria and presentation features are different from the modified cash basis revenue recognition and presentation features. No modifications have been made to the Foundation's audited financial information as it is presented. Complete financial statements for the Foundation can be obtained from the Foundation's Treasurer, PO Box 2152, Jefferson City, MO 65102.

*Basis of Presentation*

*Government-Wide Financial Statements*

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all nonfiduciary funds of the reporting entity. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The District has no business-type activities.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. The District does not allocate indirect costs. Amounts reported as program revenues include charges paid by the students for goods and services

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

*Fund Financial Statements*

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. The emphasis is placed on major funds. Each major fund is presented in a separate column while nonmajor funds, if applicable, are aggregated and presented in a single column.

The major funds of the financial reporting entity are described below:

*Governmental Funds*

*General Fund*

The General Fund is the primary operating fund of the District and is used to account for expenditures for noncertified employees, pupil transportation, operation of plant, student body activities, community services, the food service program, and any expenditures not required or permitted to be accounted for in other funds.

*Special Revenue Fund*

The Special Revenue Fund is used to account for sales taxes and other revenue sources that are legally restricted for the payment of salaries and certain employee benefits for certified personnel.

*Debt Service Fund*

The Debt Service Fund is used to account for the accumulation of resources for the periodic payment of principal, interest and fiscal charges on general long-term debt.

*Capital Projects Fund*

The Capital Projects Fund is used to account for resources to be used for the acquisition or construction of major capital assets.

*Proprietary Funds*

*Internal Service Fund*

Internal Service Funds account for the financing of services provided by one department or agency to other departments or agencies of the District on a cost-reimbursement basis. The District's Internal Service Fund was established to account for a self-funded employee medical insurance benefits program. The premiums received by the Internal Service Fund are transferred from other funds as an

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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expense related to employment, amounts withheld from employees and premiums received from retirees. Claims paid, direct insurance payments, and administrative costs are expenses of this fund.

*Basis of Accounting*

The government-wide financial statements and fund financial statements are prepared using a modified cash basis of accounting. This basis of accounting recognizes assets, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions except that the purchase of investments are recorded as assets and certain payroll liabilities and scholarships payable are recorded as liabilities. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of this modified cash basis of accounting, certain assets (such as accounts receivable and capital assets), certain revenues (such as revenue for billed or provided services not yet collected), certain liabilities (such as accounts payable and general obligation bonds payable) and certain expenses (such as expenses for goods or services received but not yet paid) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the governmental fund financial statements would use the modified accrual basis of accounting, while the government-wide financial statements and proprietary fund financial statements would be presented on the accrual basis of accounting.

*Property Taxes*

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and payable by December 31. The counties collect the property tax and remit it to the District.

The assessed valuation of the tangible taxable property for the calendar year 2023 for purposes of local taxation was \$1,488,390,201, excluding state assessed railroad and utilities.

The tax levy per \$100 of the assessed valuation of tangible taxable property for the calendar year 2023 for purposes of local taxation was:

	<u>Adjusted</u>	<u>Unadjusted</u>
General Fund	\$ 3.8565	\$ 4.2142
Special Revenue Fund	-	-
Debt Service Fund	0.9028	0.9028
Capital Projects Fund	-	-
	<u>          </u>	<u>          </u>
Total	<u>\$ 4.7593</u>	<u>\$ 5.1170</u>

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2024, aggregated approximately 99% of the current assessment computed on the basis of the levy as shown above.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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*Cash and Investments*

Cash resources from all funds, except the Debt Service Fund, Internal Service Fund, and Scholarship account, are combined to form a pool of cash and temporary investments which is managed by the District's Chief Financial Officer. State law requires that all deposits of the Debt Service Fund be kept separate from all other funds of the District. Interest income earned is allocated to contributing funds based on each funds' proportionate share of funds invested.

The District may invest in United States Treasury-bills, notes, bonds, government agency and instrumentality obligations, repurchase agreements collateralized by government securities, and time certificates of deposit, bankers' acceptances issued by domestic commercial banks and commercial paper issued by domestic corporations. Investments are reported at cost.

*Restricted Assets*

Restricted assets include cash and investments that are legally restricted as to their use. The restricted assets primarily consist of deposits escrowed under the Missouri Direct Deposit Program and unspent bond proceeds.

*Payroll Liabilities*

During the year ended June 30, 2024, the District incurred certain payroll obligations for the 2023-2024 fiscal year that were paid after the end of the fiscal year. These obligations are reported as liabilities in the Statement of Net Position and Balance Sheet.

*Scholarships Payable*

At June 30, 2024, the District held certain funds for current and future scholarship obligations. These obligations are reported as liabilities in the statement of Net Position and Balance Sheet.

*Net Position*

In the government-wide statements, equity is classified as net position. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments. All other net position is reported as unrestricted. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

*Fund Balances*

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources or by constitutional provision or enabling legislation.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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Committed – includes amounts that can only be used for specific purposes as determined by a resolution of the Board of Education. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – Amounts constrained by the District’s intent to be used for specific purposes but that are neither restricted nor committed. Intent can be expressed by the District’s Board of Education or by an official body to which the Board of Education delegates authority.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, a negative unassigned fund balance may be reported.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

*Operating Revenues and Expenses*

Operating revenues and expenses for proprietary funds are those that result from providing services. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, and investing activities.

*Interfund Activity*

Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Transfers totaling \$37,821,032 were made from the General Fund to the Special Revenue Fund to cover Special Revenue Fund expenditures in excess of revenues. Transfers totaling \$3,694,601 were made from the General Fund to the Capital Projects Fund to build the Capital Projects Fund balance in order to fund future capital needs.

**NOTE B | CASH AND INVESTMENTS**

The District is governed by the deposit and investment limitations of state law.

The District participates in the Missouri Direct Deposit Program which provides a mechanism for public school bond repayments through the MOHEFA Bond Program. It authorizes the direct deposit of a portion of the District’s state aid payment by the State of Missouri to a trustee bank that accumulates these payments and then makes the principal and interest payments to the paying agent on the bonds. The direct deposits occur monthly and the balance is withdrawn every six months to pay the debt service requirement of the related bond issues. At June 30, 2024, the District had \$5,388,250 in this program, which has been classified as investments.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

The cash deposits and temporary investments are reported at cost and are summarized as follows at June 30, 2024:

	Maturities	Credit rating	Cost
Deposits			
Demand deposits	N/A	N/A	\$ 85,996,880
Certificates of deposit	Less than 1 year	N/A	23,199,099
Investments			
External investment pool			
MOCAAT securities			
Liquid Series	Less than 1 year	AAAm	360,773
Securities	1-3 years	AAAm	492,027
US Government	Less than 1 year	AAAm	9,832,563
Missouri Direct Deposit Program	Less than 1 year	N/A	5,388,250
US Government	Less than 1 year	A-1	2,470,611
U.S Government agencies	1-3 years	A-1	<u>11,959,720</u>
Total deposits and investments			<u>\$ 139,699,923</u>

*Custodial Credit Risk – Deposits*

For a deposit, custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The District has a custodial credit risk policy for repurchase agreement investments and for certificates of deposit which requires these funds to be collateralized at least 100% or greater of the balance plus any demand deposit with the depository, less any insurance (FDIC or NCUSIF), as applicable. The District’s deposits were fully insured or collateralized at June 30, 2024.

*Custodial Credit Risk – Investments*

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by the party who sold the security to the district or its agent, but not in the government’s name. The District does not have a policy for custodial credit risk for investments. The District’s investments were not exposed to custodial credit risk at year end.

*Interest Rate Risk*

The District minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investments portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

*Investment Credit Risk*

Investment credit risk is the risk that an issuer of an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. To minimize credit risk, the District prequalifies the institutions, brokers/dealers, intermediaries and advisors with which the District will do business and by diversifying the portfolio so that potential losses on individual securities will be minimized.

*Concentration of Investment Credit Risk*

As a means of limiting its exposure to losses arising from concentration of investments, the District's investment policy mandates that the portfolio not have a concentration of assets in specific maturity, specific issuer or specific class of securities. At a minimum, diversification standards by security type and issuer are established as: (a) U.S. treasuries and securities having principal and/or interest guaranteed by the U.S. Government, 100%; (b) collateralized time and demand deposits, 100%; (c) U.S. Government agencies, and government sponsored enterprises, no more than 60%; (d) collateralized repurchase agreements, no more than 50%; (e) U.S. Government agency callable securities, no more than 30%; (f) commercial paper and bankers' acceptances, no more than 75%.

Concentration of credit risk is required to be disclosed by the District for any single investment that represents 5% or more of total investments (excluding investments issued by or explicitly guaranteed by the U.S. Government, investments in mutual funds, investments in external investment pools and investments in other pooled investments). At June 30, 2024, the District had the following concentrations of credit risk required to be disclosed:

	Cost	Percentage of Total Investments
Federal Home Loan Bank	\$ 6,963,220	34.5%
Federal National Mortgage Association	4,996,500	24.8%

**NOTE C | LONG-TERM DEBT**

The following is a summary of changes in long-term debt for the year ended June 30, 2024:

	General obligation bonds	Certificates of participation
Balance at July 1, 2023	\$ 174,765,000	\$ 19,510,000
Additions	-	-
Reductions	(5,665,000)	(825,000)
Balance at June 30, 2024	<u>\$ 169,100,000</u>	<u>\$ 18,685,000</u>
Amount due within one year	<u>\$ 6,010,000</u>	<u>\$ 855,000</u>

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

Principal and interest on all bonded indebtedness is paid through the Debt Service Fund and certificates of participation are paid through the Capital Projects Fund.

*Bonds Payable*

Bonds payable consist of the following at June 30, 2024:

	Maturity date	Rate of interest	Original issue amount	Balance at June 30, 2023
Series 2016	2027	2.0% - 3.0%	\$ 5,915,000	\$ 1,385,000
Series 2017	2037	2.0% - 5.0%	85,000,000	70,050,000
Series 2018	2038	3.0% - 5.0%	45,000,000	36,925,000
Series 2021	2027	4.00%	13,065,000	6,740,000
Series 2023A	2043	4.00% - 5.50%	46,660,000	46,660,000
Series 2023B	2039	4.90% - 5.35%	8,340,000	<u>7,340,000</u>
				<u>\$ 169,100,000</u>

In 2023, the District defeased the remaining portion of 2021A Certificates of Participation in the amount of \$8,165,000. Funds were placed in an escrow account and principal and interest earned will be sufficient for the payment of the principal and interest on the call date of April 1, 2028.

In 2023, the District also defeased the remaining portion of Series 2017 general obligation bonds in the amount of \$5,800,000. Funds were placed in an escrow account and principal and interest earned will be sufficient for the payment of the principal and interest on the call date of March 1, 2026.

The annual requirements to amortize bonds are as follows at June 30, 2024:

Year ending June 30,	Principal	Interest	Total
2025	\$ 6,010,000	\$ 7,437,705	\$ 13,447,705
2026	5,410,000	7,200,875	12,610,875
2027	5,780,000	6,966,025	12,746,025
2028	7,000,000	6,763,925	13,763,925
2029	7,450,000	6,483,925	13,933,925
2030-2034	44,325,000	27,880,975	72,205,975
2035-2039	47,695,000	18,288,700	65,983,700
2040-2043	<u>45,430,000</u>	<u>4,952,775</u>	<u>50,382,775</u>
	<u>\$ 169,100,000</u>	<u>\$ 85,974,905</u>	<u>\$ 255,074,905</u>

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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Repayment of the District’s series 2016, 2017, 2018, 2021, 2023A and 2023B bond issues are made through the Missouri School District Direct Deposit Program.

*Legal Debt Margin*

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a school district to fifteen percent (15%) of the assessed valuation of the district (including State assessed railroad and utilities). The legal debt margin, computed excluding the assessed valuation of State assessed railroad and utilities, of the District at June 30, 2024 was:

Constitutional debt limit	\$ 223,258,530
General obligation bonds payable	(169,100,000)
Amount available in Debt Service Fund	<u>17,762,293</u>
Legal debt margin	<u>\$ 71,920,823</u>

*Certificates of Participation*

In February and June 2021, the District issued \$21,000,000 in Series 2021 and \$9,180,000 in Series 2021A Certificates of Participation, respectively, for the purpose of acquiring, constructing, renovating, improving, furnishing and equipping certain school facilities and sites, including the construction of recreational and athletic facilities on leased property and acquiring and installing energy conservation improvements. The Certificates bear interest at a rate of 4.00%. The final payment for the Series 2021 Certificates is due March 1, 2040. The Series 2021A certificates were defeased as stated above.

Future minimum payments for the Certificates described above is as follows:

Year ending June 30,	Principal	Interest	Total
2025	\$ 855,000	\$ 747,400	\$ 1,602,400
2026	890,000	713,200	1,603,200
2027	925,000	677,600	1,602,600
2028	965,000	640,600	1,605,600
2029	1,000,000	602,000	1,602,000
2030-2034	5,640,000	2,376,600	8,016,600
2035-2039	6,870,000	1,153,800	8,023,800
2040	1,540,000	61,600	1,601,600
	<u>\$ 18,685,000</u>	<u>\$ 6,972,800</u>	<u>\$ 25,657,800</u>

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE D | RETIREMENT PLANS**

*Plan Description.* Public School Retirement System of Missouri (PSRS) is a mandatory cost-sharing multiple employer retirement system for all full-time certificated employees and certain part-time certificated employees of all public school districts in Missouri (except the school districts of St. Louis and Kansas City) and all public community colleges. PSRS also includes certificated employees of the Systems, Missouri State Teachers' Association, Missouri State High School Activities Association, and certain employees of the state of Missouri who elected to remain covered by PSRS under legislation enacted in 1986, 1987 and 1989. The majority of PSRS members are exempt from Social Security contributions. In some instances, positions may be determined not to be exempt from Social Security contributions. Any PSRS member who is required to contribute to Social Security comes under the requirements of Section 169.070 (9) RSMo, known as the "two-thirds statute." PSRS members required to contribute to Social Security are required to contribute two-thirds of the approved PSRS contribution rate and their employer is required to match the contribution. The members' benefits are further calculated at two-thirds the normal benefit amount.

Public Education Employee Retirement System (PEERS) is a mandatory cost-sharing multiple employer retirement system for all public school district employees (except the school districts of St. Louis and Kansas City), employees of the Missouri Association of School Administrators, and community college employees (except the Community College of St. Louis). Employees of covered districts who work 20 or more hours per week on a regular basis and who are not contributing members of PSRS must contribute to PEERS. Employees of the Systems who do not hold Missouri educator certificates also contribute to PEERS. PEERS was established as a trust fund by an Act of the Missouri General Assembly effective October 13, 1965. Statutes governing the System are found in Sections 169.600 - 169.715 and Sections 169.560-169.595 RSMo. The statutes place responsibility for the operation of PEERS on the Board of Trustees of PSRS.

An Annual Comprehensive Financial Report ("ACFR") can be obtained at [www.psrps-peers.org](http://www.psrps-peers.org).

*Benefits Provided.* PSRS is a defined benefit plan providing retirement, disability, and death/survivor benefits. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of 5 years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 2.5% benefit factor. Beginning July 1, 2001, and ending July 1, 2014, a 2.55% benefit factor was used to calculate benefits for members who have 31 or more years of service at retirement. Actuarially age-reduced benefits are available for members with five to 24.9 years of service at age 55. Members who are younger than age 55 and who do not qualify under the "Rule of 80" but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time partial lump sum (PLSO) payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

PEERS is a defined benefit plan providing retirement, disability, and death benefits to its members. Members are vested for service retirement benefits after accruing five years of service. Individuals who (a) are at least age 60 and have a minimum of five years of service, (b) have 30 years of service, or (c) qualify for benefits under the "Rule of 80" (service and age total at least 80) are entitled to a monthly benefit for life, which is calculated using a 1.61% benefit factor. Members qualifying for "Rule of 80" or "30-and-out" are entitled to an additional temporary benefit until reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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with five years of service at age 55. Members who are younger than age 55 and who do not qualify under the “Rule of 80” but have between 25 and 29.9 years of service may retire with a lesser benefit factor. Members that are three years beyond normal retirement can elect to have their lifetime monthly benefits actuarially reduced in exchange for the right to also receive a one-time PLSO payment at retirement equal to 12, 24, or 36 times the Single Life benefit amount.

A Summary Plan Description detailing the provisions of the plans can be found on the Systems’ website at [www.psrs-peers.org](http://www.psrs-peers.org).

*Cost-of-Living Adjustments (“COLA”).* The Board of Trustees has established a policy of providing COLAs to PSRS and PEERS members as follows:

- If the June to June change in the Consumer Price Index for All Urban Consumers (CPI-U) is less than 2% for consecutive one-year periods, a cost-of-living increase of 2% will be granted when the cumulative increase is equal to or greater than 2%, at which point the cumulative increase in the CPI-U will be reset to zero. For the following year, the starting CPI-U will be based on the June value immediately preceding the January 1 at which the 2% of cost-of-living increase is granted.
- If the June to June change in the CPI-U is greater than or equal to 2%, but less than 5%, a cost-of-living increase of 2% will be granted.
- If the June to June change in the CPI-U is greater than or equal to 5%, cost-of-living increase of 5% will be granted.
- If the CPI decreases, no COLA is provided.

For any PSRS member retiring on or after July 1, 2001, such adjustments commence on the second January after commencement of benefits and occur annually thereafter. For PEERS members, such adjustments commence on the fourth January after commencement of benefits and occur annually thereafter. The total of such increases may not exceed 80% of the original benefit for any member.

*Contributions.* PSRS members were required to contribute 14.5% of their annual covered salary during fiscal years 2022, 2023 and 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 1% of pay.

PEERS members were required to contribute 6.86% of their annual covered salary during fiscal years 2022, 2023, and 2024. Employers were required to match the contributions made by employees. The contribution rate is set each year by the PSRS Board of Trustees upon the recommendation of the independent actuary within the contribution restrictions set in Section 169.030 RSMo. The annual statutory increase in the total contribution rate may not exceed 0.5% of pay.

The District’s contributions to PSRS and PEERS were \$7,795,298 and \$1,385,857 for the year ended June 30, 2024.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE E | POST EMPLOYMENT BENEFITS**

The District allows employees who retire from the District to participate in the District's health insurance plans. Upon meeting the retirement requirements per Public School Retirement System of Missouri (PSRS) or Public Education Employee Retirement System of Missouri (PEERS), the employees can elect to participate in the District's plans. The retirees must pay for 100% of their coverage for each plan in which they elect to participate. The premiums are based on a single blended rate for both active employees and retirees. The difference between the amount the retiree is required to pay and the actual cost to the District is considered a post-employment benefit. The District has not established an irrevocable trust fund for the accumulation of resources for the future payment of benefits under the plan; benefits are paid on a pay-as-you-go basis. A standalone financial report is not available for the plan.

**NOTE F | RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; business interruptions; errors and omissions; natural disasters; employee injuries and illnesses; and employee health and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than employee medical benefits.

The District is covered by an excess loss contract on its employee medical benefits program. This contract provides specific stop-loss coverage for claims in excess of \$250,000 per individual. The District retains the obligation to pay claims below these levels.

**NOTE G | COMMITMENTS AND CONTINGENCIES**

*Grants Audits*

The District receives Federal grants and State funding for specific purposes that are subject to review and audit. These reviews and audits could lead to requests for reimbursement or to withholding of future funding for expenditures disallowed under or other noncompliance with the terms of the grants and funding. The District is not aware of any noncompliance with the Federal or State provisions that might require the District to provide reimbursement.

*Litigation*

The District may periodically be the defendant in a lawsuit arising principally in the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying financial statements and accordingly, no provision for losses has been recorded.

*Construction Commitments*

The District is obligated under construction contracts for work on Southwest Early Childhood Center and Nichols Center. The District's remaining commitment for uncompleted work under its construction contracts totaled \$38,193,577 as of June 30, 2024.

**Jefferson City School District**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE H | TAX ABATEMENTS**

A tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which the governments promise to forgo tax revenues to which they are otherwise entitled and the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

Under Chapter 100 of Missouri's tax code, the Department of Economic Development can provide a state and local tax exemption on tangible personal property leased by a company from a city/county. The tax exemption extends to both state and local sales tax and local property tax.

The District is also subject to one Chapter 353 tax abatement; this is an incentive to help redevelop blighted areas by abating some or all of the property taxes for up to 25 years.

The District does not negotiate tax abatements with entities; however, the District is impacted by tax abatements granted by other governmental jurisdictions within the District's boundaries. For the fiscal year ending June 30, 2024, these abatements total \$1,464,126.

**Jefferson City School District**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**MODIFIED CASH BASIS – BUDGET TO ACTUAL – UNAUDITED**  
**GENERAL FUND**  
**Year ended June 30, 2024**

	<b>Budgeted amounts</b>		<b>Actual</b>	<b>Variances-- positive (negative)</b>	
	<b>Original</b>	<b>Final</b>		<b>Original to final</b>	<b>Final to actual</b>
<b>Revenues</b>					
Local	\$ 59,807,561	\$ 60,764,789	\$ 60,764,789	\$ 957,228	\$ -
County	6,931,776	8,792,027	8,792,027	1,860,251	-
State	845,175	6,960,796	6,960,796	6,115,621	-
Federal	12,924,723	16,504,632	16,504,632	3,579,909	-
Investment income	-	3,288,689	3,288,689	3,288,689	-
Other	-	10,600	10,600	10,600	-
<b>Total revenues</b>	<b>80,509,235</b>	<b>96,321,533</b>	<b>96,321,533</b>	<b>15,812,298</b>	<b>-</b>
<b>Expenditures</b>					
Regular instruction	3,756,787	3,763,453	3,763,453	(6,666)	-
Special instruction	3,867,279	3,759,147	3,759,147	108,132	-
Vocational instruction	277,961	398,408	398,408	(120,447)	-
Student activities	1,826,399	3,198,506	3,198,506	(1,372,107)	-
Student support services	3,853,892	4,281,414	4,281,414	(427,522)	-
Instructional staff support	3,153,418	2,620,952	2,620,952	532,466	-
Building administration	1,540,358	1,493,274	1,493,274	47,084	-
General administration and central services	4,768,272	5,940,746	5,940,746	(1,172,474)	-
Operation of plant	11,792,502	11,200,521	11,200,521	591,981	-
Transportation	6,346,107	5,289,704	5,289,704	1,056,403	-
Food service	6,370,363	6,129,739	6,129,739	240,624	-
Community service	801,126	396,039	396,039	405,087	-
Early childhood	-	409,208	409,208	(409,208)	-
<b>Total expenditures</b>	<b>48,354,464</b>	<b>48,881,111</b>	<b>48,881,111</b>	<b>(526,647)</b>	<b>-</b>
Revenues over expenditures	32,154,771	47,440,422	47,440,422	15,285,651	-
<b>Other financing sources (uses)</b>					
Proceeds from sale of property	64,206	14,313	14,313	(49,893)	-
Transfers out	(36,737,735)	(41,528,172)	(41,528,172)	(4,790,437)	-
<b>Total other financing sources (uses)</b>	<b>(36,673,529)</b>	<b>(41,513,859)</b>	<b>(41,513,859)</b>	<b>(4,840,330)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (4,518,758)</b>	<b>\$ 5,926,563</b>	<b>5,926,563</b>	<b>\$ 10,445,321</b>	<b>\$ -</b>
<b>Fund balance at July 1, 2023</b>			<u>51,769,277</u>		
<b>Fund balance at June 30, 2024</b>			<u>\$ 57,695,840</u>		

**Jefferson City School District**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**MODIFIED CASH BASIS – BUDGET TO ACTUAL – UNAUDITED**  
**SPECIAL REVENUE FUND**  
**Year ended June 30, 2024**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
<b>Revenues</b>					
Local	\$ 11,464,877	\$ 12,246,237	\$ 12,246,237	\$ 781,360	\$ -
County	243,000	282,654	282,654	39,654	-
State	18,904,013	20,548,103	20,548,103	1,644,090	-
Federal	4,309,776	309,776	309,776	(4,000,000)	-
Investment income	-	14,960	14,960	14,960	-
Other	328,172	383,745	383,745	55,573	-
<b>Total revenues</b>	<b>35,249,838</b>	<b>33,785,475</b>	<b>33,785,475</b>	<b>(1,464,363)</b>	<b>-</b>
<b>Expenditures</b>					
Regular instruction	40,057,662	38,504,923	38,504,923	1,552,739	-
Special instruction	8,994,672	8,328,276	8,328,276	666,396	-
Vocational instruction	1,579,142	1,606,345	1,606,345	(27,203)	-
Student activities	1,313,399	1,294,102	1,294,102	19,297	-
Tuition paid to other districts	474,000	544,191	544,191	(70,191)	-
Student support services	5,994,064	6,245,461	6,245,461	(251,397)	-
Instructional staff support	3,104,371	2,875,523	2,875,523	228,848	-
Building administration	3,649,101	3,805,429	3,805,429	(156,328)	-
General administration and central services	1,627,815	1,770,812	1,770,812	(142,997)	-
Community service	1,620,156	2,899	2,899	1,617,257	-
Early childhood	-	1,555,350	1,555,350	(1,555,350)	-
Adult education	-	342	342	(342)	-
<b>Total expenditures</b>	<b>68,414,382</b>	<b>66,533,653</b>	<b>66,533,653</b>	<b>1,880,729</b>	<b>-</b>
Revenues over (under) expenditures	(33,164,544)	(32,748,178)	(32,748,178)	416,366	-
<b>Other financing sources</b>					
Transfers in	33,194,249	37,833,571	37,833,571	4,639,322	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 29,705</b>	<b>\$ 5,085,393</b>	<b>5,085,393</b>	<b>\$ 5,055,688</b>	<b>\$ -</b>
<b>Fund balance at July 1, 2023</b>					<b>-</b>
<b>Fund balance at June 30, 2024</b>			<b>\$ 5,085,393</b>		

**Jefferson City School District**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**MODIFIED CASH BASIS – BUDGET TO ACTUAL – UNAUDITED**  
**DEBT SERVICE FUND**  
**Year ended June 30, 2024**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
<b>Revenues</b>					
Local	\$ 13,173,498	\$ 13,264,265	\$ 13,264,265	\$ 90,767	\$ -
County	2,025,838	2,074,481	2,074,481	48,643	-
Investment income	80,002	983,078	983,078	903,076	-
Other	-	28	28	28	-
<b>Total revenues</b>	<b>15,279,338</b>	<b>16,321,852</b>	<b>16,321,852</b>	<b>1,042,514</b>	<b>-</b>
<b>Expenditures</b>					
Debt services					
Principal	5,165,000	5,665,000	5,665,000	(500,000)	-
Interest and other charges	5,320,600	6,957,879	6,957,879	(1,637,279)	-
<b>Total expenditures</b>	<b>10,485,600</b>	<b>12,622,879</b>	<b>12,622,879</b>	<b>(2,137,279)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 4,793,738</b>	<b>\$ 3,698,973</b>	<b>3,698,973</b>	<b>\$ (1,094,765)</b>	<b>\$ -</b>
<b>Fund balance at July 1, 2023</b>			<u>14,063,320</u>		
<b>Fund balance at June 30, 2024</b>			<u>\$ 17,762,293</u>		

**Jefferson City School District**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –**  
**MODIFIED CASH BASIS – BUDGET TO ACTUAL – UNAUDITED**  
**CAPITAL PROJECTS FUND**  
**Year ended June 30, 2024**

	Budgeted amounts		Actual	Variances-- positive (negative)	
	Original	Final		Original to final	Final to actual
<b>Revenues</b>					
Local	\$ 1,583,627	\$ 1,501,504	\$ 1,501,504	\$ (82,123)	\$ -
State	2,683,791	3,292,457	3,292,457	608,666	-
Federal	118,151	79,428	79,428	(38,723)	-
Other	126,960	79,428	-	(47,532)	-
Investment income	105,600	1,958,806	1,958,806	1,853,206	-
<b>Total revenues</b>	<b>4,618,129</b>	<b>6,911,623</b>	<b>6,832,195</b>	<b>2,293,494</b>	<b>-</b>
<b>Expenditures</b>					
Regular instruction	50,000	150,685	150,685	(100,685)	-
Special instruction	-	11,485	11,485	(11,485)	-
Vocational instruction	229,684	402,504	402,504	(172,820)	-
Student activities	-	5,420	5,420	(5,420)	-
Student support services	-	24,981	24,981	(24,981)	-
Instructional staff support	261,182	2,413,233	2,413,233	(2,152,051)	-
General administration and central services	-	34,655	34,655	(34,655)	-
Operation of plant	67,195	103,594	103,594	(36,399)	-
Food services	100,000	99,278	99,278	722	-
Community service	-	311,512	311,512	(311,512)	-
Facility acquisition and construction	10,000,000	16,203,825	16,203,825	(6,203,825)	-
Debt services					
Principal	1,175,000	825,000	825,000	350,000	-
Interest and other charges	1,249,200	783,845	783,845	465,355	-
<b>Total expenditures</b>	<b>13,132,261</b>	<b>21,370,017</b>	<b>21,370,017</b>	<b>(8,237,756)</b>	<b>-</b>
Revenues under expenditures	(8,514,132)	(14,458,394)	(14,537,822)	(5,944,262)	-
<b>Other financing sources</b>					
Proceeds from sale of property	6,560	11,073	11,073	4,513	-
Insurance recovery proceeds	1,656	8,896	8,896	7,240	-
Transfers in	3,963,997	3,694,601	3,694,601	(269,396)	-
<b>Total other financing sources</b>	<b>3,972,213</b>	<b>3,714,570</b>	<b>3,714,570</b>	<b>(257,643)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (4,541,919)</b>	<b>\$ (10,743,824)</b>	<b>(10,823,252)</b>	<b>\$ (6,201,905)</b>	<b>\$ -</b>
<b>Fund balance at July 1, 2023</b>			<b>53,447,367</b>		
<b>Fund balance at July 1, 2024</b>			<b>\$ 42,624,115</b>		

**Jefferson City School District**  
**NOTES TO OTHER INFORMATION**

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**NOTE A | BUDGETS AND BUDGETARY ACCOUNTING**

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with Chapter 67, RSMo, the District adopts a budget for each fund of the political subdivision.
2. Prior to July, the Chief Financial Officer, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning on the following July 1. The proposed budget includes estimated revenues and proposed expenditures for all District funds. Budgeted expenditures cannot exceed beginning available monies plus estimated revenues for the year.
3. A public hearing is conducted to obtain taxpayer comments. Prior to its approval by the Board of Education, the budget document is available for public inspection.
4. Prior to July 1, the budget is legally enacted by a vote of the Board of Education.
5. Subsequent to the formal approval of the budget, the Board of Education has the authority to make necessary adjustments to the budget by formal vote of the Board of Education. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgeted amounts are as originally adopted and as amended by the Board of Education.
7. Budgets for District funds are prepared and adopted on the modified cash basis (budget basis), recognizing revenues when collected and expenditures when paid. Budgets lapse at year end.



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St. Louis, MO 63102

## Independent Accountants' Report on Compliance with Specified Requirements of Missouri Laws and Regulations

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Board of Education  
Jefferson City School District

We have examined Jefferson City School District's compliance with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures, and accurate disclosure by Jefferson City School District's records of average daily attendance and average daily pupil transportation for the year ended June 30, 2024. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on Jefferson City School District's compliance with the specified requirements based on our examination.

Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on Jefferson City School District's compliance with specified requirements.

In our opinion, Jefferson City School District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2024.

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
December 9, 2024

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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District Number: 026-006

**1. Calendar (Sections 160.041, 171.029, 171.031, and 171.033 RSMO)**

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day	Days	Hours in Session
	K	5	-	6.6500	163	1,073.9500
	6	8	-	6.6667	163	1,076.6721
	9	12	-	6.5000	163	1,057.6500
	PK	PK	-	6.6667	163	1,076.6721

**2. Attendance Hours**

School Code	Grade Level	Full-Time	Part-Time	Remedial Hours	Other	Summer School	Total
1050	9-12	1,010,229.0926	174,351.2901	-	-	36,385.8050	1,220,966.1877
1060	9-12	1,002,980.4693	146,050.7616	-	-	40,165.4791	1,189,196.7100
3000	6-8	902,072.8435	12,864.7363	-	-	24,648.3688	939,585.9486
3020	6-8	854,440.8173	15,013.3932	-	-	24,261.7346	893,715.9451
4020	K-5	352,681.3333	6,094.6000	-	-	32,600.3929	391,376.3262
4025	K-5	221,562.3333	3,048.1000	-	-	-	224,610.4333
4030	K-5	317,790.9000	6,623.9324	-	-	30,715.8498	355,130.6822
4040	K-5	290,236.0500	2,129.9833	-	-	12,697.2497	305,063.2830
4050	K-5	439,920.2666	4,090.2667	-	-	19,557.4001	463,567.9334
4060	K-5	295,107.2666	2,884.5000	-	-	23,517.5663	321,509.3329
4070	K-5	382,384.2998	3,973.6833	-	-	27,878.4667	414,236.4498
4080	K-5	301,195.9166	3,703.8000	-	-	-	304,899.7166
5010	K-5	438,256.1500	4,399.3800	-	-	21,580.0666	464,235.5966
5020	K-5	288,762.1167	2,497.1167	-	-	-	291,259.2334
5040	K-5	328,423.5665	1,647.9200	-	-	-	330,071.4865
7500	PK	118,358.2499	12,994.8333	-	-	-	131,353.0832
Total		7,544,401.6720	402,368.2969	-	-	294,008.3796	8,240,778.3485

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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**3. September Membership**

School Code	Grade Level	Full-Time	Part-Time	Other	Total
1050	9-12	1,256.00	65.15	-	1,321.15
1060	9-12	1,268.00	21.88	-	1,289.88
3000	6-8	934.00	7.78	-	941.78
3020	6-8	854.00	8.41	-	862.41
4020	K-5	347.00	2.65	-	349.65
4025	K-5	219.00	0.83	-	219.83
4030	K-5	313.00	4.45	-	317.45
4040	K-5	293.00	1.18	-	294.18
4050	K-5	430.00	1.52	-	431.52
4060	K-5	289.00	1.46	-	290.46
4070	K-5	372.00	1.88	-	373.88
4080	K-5	311.00	2.35	-	313.35
5010	K-5	435.00	1.48	-	436.48
5020	K-5	291.00	1.73	-	292.73
5040	K-5	325.00	1.46	-	326.46
7500	PK	164.00	36.80	-	200.80
Total		8,101.00	161.01	-	8,262.01

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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**4. Free and Reduced Priced Lunch FTE Count (Section 163.011(6), RSMO)**

School Code	Free Lunch	Reduced Lunch	Deseg In Free	Deseg In Reduced	Total
1050	463.78	130.93	N/A	N/A	594.71
1060	371.56	104.81	N/A	N/A	476.37
3000	394.97	111.66	N/A	N/A	506.63
3020	343.75	95.07	N/A	N/A	438.82
4020	135.75	57.05	N/A	N/A	192.80
4025	86.10	36.60	N/A	N/A	122.70
4030	109.88	26.00	N/A	N/A	135.88
4040	297.50	-	N/A	N/A	297.50
4050	161.45	66.00	N/A	N/A	227.45
4060	155.00	33.40	N/A	N/A	188.40
4070	166.08	30.00	N/A	N/A	196.08
4080	314.38	-	N/A	N/A	314.38
5010	164.85	53.00	N/A	N/A	217.85
5020	290.85	-	N/A	N/A	290.85
5040	137.00	37.00	N/A	N/A	174.00
<b>Total</b>	<b>3,592.90</b>	<b>781.52</b>	<b>-</b>	<b>-</b>	<b>4,374.42</b>

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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**5. Finance**

5.1	The District maintained a calendar in accordance with 160.041, 171.029, 171.031, and 171.033, RSMo and all attendance hours were reported.	<u>True</u>
5.2	The District maintained complete and accurate attendance records allowing for the accurate calculation of Average Daily Attendance for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	
	Academic Programs Off-Campus	<u>N/A</u>
	Career Exploration Program – Off Campus	<u>N/A</u>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<u>True</u>
	Dual enrollment	<u>True</u>
	Homebound instruction	<u>True</u>
	Missouri Options	<u>True</u>
	Prekindergarten eligible to be claimed for state aid	<u>True</u>
	Remediation	<u>N/A</u>
	Sheltered Workshop participation	<u>N/A</u>
	Students participating in the school flex program	<u>True</u>
	Traditional instruction (full and part-time students)	<u>True</u>
	Virtual instruction (MOCAP or other option)	<u>True</u>
	Work Experience for Students with Disabilities	<u>True</u>
5.3	The District maintained complete and accurate attendance records allowing for the accurate calculation of September Membership for all students in accordance with all applicable state rules and regulations.	<u>True</u>
5.4	The District maintained complete and accurate attendance and other applicable records allowing for the accurate reporting of the state FTE count for Free and Reduced Lunch for all students in accordance with all applicable state rules and regulations.	<u>True</u>
5.5	As required by Section 162.401, RSMo, a bond was purchased for the District’s treasurer in the total amount of:	<u>\$50,000</u>
5.6	The District’s deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Finance Accounting Manual.	<u>True</u>
5.7	The District maintained a separate bank account for the Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo.	<u>True</u>
5.8	Salaries reported for educators in the October MOSIS Educator Core and Educator School files are supported by complete and accurate payroll and contract records.	<u>True</u>

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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5.9	If a \$162,326 or 7% x SAT x WADA transfer was made in excess of adjusted expenditures, the board approved a resolution to make the transfer, which identified the specific projects to be funded by the transfer and an expected date for the projects to be undertaken.	<u>N/A</u>
5.10	The District published a summary of the prior year’s audit report within thirty days of the receipt of the audit pursuant to Section 165.121, RSMo.	<u>True</u>
5.11	The District has a professional development committee plan adopted by the Board with professional development committee plan identifying the expenditure of seventy-five percent (75%) of one percent (1%) of the current year basic formula apportionment. Remaining 25% of 1% if not spent must be restricted and spent on appropriate expenditures in the future.	<u>True</u>
5.12	The amount spent for approved professional development committee plan activities was:	<u>\$195,729</u>
5.13	The District has posted, at least quarterly, a searchable expenditure and revenue document or database detailing actual income, expenditures, and disbursement for the current calendar or fiscal year on the district or school website or other form of social media as required by Section 160.066, RSMo.	<u>True</u>
	All above “False answers must be supported by a finding or management letter comment.	
	Findings #:	<u>N/A</u>
	Management Letter Comment #:	<u>N/A</u>

**6. Transportation**

6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<u>True</u>
6.2	The District’s pupil transportation ridership records are maintained in a manner to accurately disclose in all material respects the average number of regular riders transported.	<u>True</u>

**Jefferson City School District**  
**SCHEDULE OF SELECTED STATISTICS - UNAUDITED**  
**Year ended June 30, 2024**

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6.3	Based on the ridership records, the average number of students (non-disabled K-12, K-12 students with disabilities and career education) transported on a regular basis (ADT) was:	<ul style="list-style-type: none"> <li>▪ <b>Eligible ADT</b> <u>3,813.5</u></li> <li>▪ <b>Ineligible ADT</b> <u>0</u></li> </ul>
6.4	The District's transportation odometer mileage records are maintained in a manner to accurately disclose in all material respects the eligible and ineligible mileage for the year.	<u>True</u>
6.5	Actual odometer records show the total district-operated <u>and</u> contracted mileage for the year was:	<u>910,155</u>
6.6	Of this total, the eligible non-disabled and students with disabilities route miles and the ineligible non-route and disapproved miles (combined) was:	<ul style="list-style-type: none"> <li>▪ <b>Eligible Miles</b> <u>685,500</u></li> <li>▪ <b>Ineligible Miles (Non-Route/Disapproved)</b> <u>224,655</u></li> </ul>
6.7	Number of days the schools operated the school transportation system during the regular school year:	<u>163</u>
	All above "False" answers <u>must</u> be supported by a finding or management letter comment.	
	Findings #:	<u>N/A</u>
	Management Letter Comment #:	<u>N/A</u>

**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**

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Board of Education  
Jefferson City School District

We have audited the financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Jefferson City School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Jefferson City School District's basic financial statements, and have issued our report thereon dated December 9, 2024. Our report on the basic financial statements disclosed that, as described in Note A to the financial statements, the District prepares its financial statements on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. The financial statements of the Jefferson City Public Schools Foundation were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Jefferson City Public Schools Foundation.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

*Kenner, Eck & Braeckel LLP*

St. Louis, Missouri  
December 9, 2024



**Independent Auditors' Report on Compliance for Each Major Federal Program and on Internal Control over Compliance Required by the Uniform Guidance**

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Board of Education  
Jefferson City School District

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited Jefferson City School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Jefferson City School District's major federal programs for the year ended June 30, 2024. Jefferson City School District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Jefferson City School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

**Basis for Opinion on Each Major Federal Program**

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

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

**Responsibilities of Management for Compliance**

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

## **Auditors' Responsibilities for the Audit of Compliance**

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

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

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

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

## **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

*Kerber, Eck & Braeckel LLP*

St. Louis, Missouri  
December 9, 2024

**Jefferson City School District**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year ended June 30, 2024**

<b>Federal Grantor / Pass-Through Grantor / Program Cluster or Title</b>	<b>Federal Assistance Listing (AL) Number</b>	<b>Pass-Through Identification Number</b>	<b>Expenditures</b>
<b>U.S. Department of Education</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
Special Education Cluster:			
Special Education-Grants to States (IDEA, Part B)	84.027	026-006	\$ 2,925,576
Special Education Preschool Grants	84.173	026-006	64,636
COVID-19: Special Education-Grants to States (IDEA, Part B)	84.027X	026-006	1,000
COVID-19: Special Education Preschool Grants	84.173X	026-006	<u>12,037</u>
Total Special Education Program Cluster			3,003,249
Career and Technical Education - Basic Grants to States	84.048	026-006	331,575
Title I, Part A - Grants to Local Educational Agencies	84.010	026-006	2,358,869
Title III, Part A - English Language Acquisition Grants	84.365	026-006	42,935
Title II, Part A - Supporting Effective Instruction State Grant	84.367	026-006	383,650
Title IV, Part A - Student Support and Academic Enrichment (ESSA)	84.424	026-006	146,998
Assistive Technology	84.224	026-006	2,821
Education Stabilization Fund			
COVID-19: American Rescue Plan - Elementary and Secondary School Emergency Relief (ARP ESSER)	84.425U	026-006	3,860,300
COVID-19: Education Stabilization Fund - Elementary and Secondary School Emergency Relief (ESSER) Fund	84.425D	026-006	155,636
COVID-19: Education Stabalization Fund-Governor's Emergency Education Relief (GEER) Fund	84.425C	026-006	10,163
COVID 19: American Rescue Plan - Homeless Children and Youth (ARP-HCY)	84.425W	026-006	<u>28,826</u>
Total CFDA #84.425			4,054,925
Total U.S. Department of Education			10,325,022
 <b>U.S. Department of Treasury</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
COVID-19: Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)	21.027	026-006	24,700
 <b>U.S. Department of Health and Human Services</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
Child Care and Development Block Grant			
Child Care and Development Block Grant	93.575	026-006	39,017
Every Student Succeeds Act/Preschool Development Grants	93.434	026-006	13,100
Passed through Missouri Office of Refugee Administration (MO_ORA)			
Refugee and Entrant Assistance State/Replacement Designee Administered Programs	93.566	026-006	<u>11,195</u>
Total U.S. Department of Health and Human Services			63,312
 <b>U.S. Department of Agriculture</b>			
Passed-through Missouri Department of Elementary and Secondary Education:			
Child Nutrition Cluster:			
Fruits & Vegetables	10.582	026-006	157,513
School Breakfast Program	10.553	026-006	1,281,331
National School Lunch Program			
Cash assistance	10.555	026-006	3,021,273
Non-cash assistance (food distribution)	10.555	026-006	<u>574,535</u>
Total National School Lunch Program			3,595,808
Passed-through Missouri Department of Health and Senior Services			
Summer Food Service Program for Children	10.559	ERS0462373S	<u>279,368</u>
Total Child Nutrition Program Cluster			5,314,020
Child and Adult Care Food Service Program	10.558	n/a	<u>136,985</u>
Total U.S Department of Agriculture			5,451,005
 <b>Total Expenditures of Federal Awards</b>			 <u>\$ 15,864,039</u>

**Jefferson City School District**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**Year ended June 30, 2024**

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**NOTE A | BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards includes the federal award activity of Jefferson City School District (the District) under programs of the federal government for the year ended June 30, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District and is reported on the modified cash basis of accounting, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**NOTE B | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule of Expenditures of Federal Awards are reported on the modified cash basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain expenditures are not allowable or are limited as to reimbursement.

**NOTE C | INDIRECT COST RATE**

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

**NOTE D | SUBRECIPIENTS**

There have been no awards passed through to subrecipients.

**NOTE E | FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the Schedule of Expenditures of Federal Awards at fair market value of the commodities received and disbursed during the fiscal year ended June 30, 2024.

**Jefferson City School District**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of report issued on financial statements: Unmodified opinion

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified that are not considered to be material weaknesses? None noted

Noncompliance material to the financial statements noted? No

**Federal Awards**

Internal control over major programs:

Material weakness identified? No

Significant deficiencies identified that are not considered to be material weaknesses? None noted

Type of auditors' report issued on compliance for major programs: Unmodified opinion

Any audit findings disclosed that are required to be reported under 2 CFR Section 200.516(a) of the Uniform Guidance? No

The programs tested as a major program are as follows:

<u>Federal Assistance Listing</u>	<u>Name of program or cluster</u>
10.553, 10.555, 10.559, 10.582	Child Nutrition Cluster
84.010	Title I Grants to Location Educational Agencies
84.367	Title II Supporting Effective Instruction State Grant

The dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as a low-risk auditee? No

**FINANCIAL STATEMENT FINDINGS**

There were no findings which are required to be reported in accordance with Generally Accepted Government Auditing Standards.

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

There were no findings and questioned costs related to Federal Awards.