

**REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI**

**AUDITED FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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OF JEFFERSON COUNTY, MISSOURI  
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OF JEFFERSON COUNTY, MISSOURI  
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## **FINANCIAL SECTION**



# Daniel Jones & Associates

MEMBERS OF  
MISSOURI SOCIETY OF CPA'S  
AMERICAN INSTITUTE OF CPA'S

CERTIFIED PUBLIC ACCOUNTANTS

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## INDEPENDENT AUDITOR'S REPORT

To the Members of the Board of Education  
Reorganized School District R-VII of Jefferson County

### *Report on the Audit of Financial Statements*

#### *Opinions*

We have audited the modified cash basis financial statements of the governmental activities and each major fund of Reorganized School District R-VII of Jefferson County ("District"), Missouri, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of the District as of June 30, 2024, and the respective changes in modified cash basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note I.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 I 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 I, and for 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.

### ***Auditor's Responsibilities for the Audit of Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the budgetary comparison schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic 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 basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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 November 13, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Daniel Jones & Associates".

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

November 13, 2024

## **BASIC FINANCIAL STATEMENTS**

**Reorganized School District R-VII of Jefferson County, Missouri**  
**Statement of Net Position - Modified Cash Basis**  
**June 30, 2024**

	<b>Governmental Activities</b>
<b>Assets</b>	
<b>Current assets:</b>	
Cash and Investments	\$ 6,894,573.75
Total Current Assets	6,894,573.75
<b>Restricted assets:</b>	
Cash and Investments	2,355,651.95
Total Restricted Assets	2,355,651.95
<b>Total assets</b>	<b>9,250,225.70</b>
 <b>Liabilities</b>	
<b>Current Liabilities</b>	
Payroll Liabilities	-
<b>Total Liabilities</b>	-
 <b>Net Position</b>	
Restricted for:	
Debt Service	2,355,651.95
Unrestricted	6,894,573.75
<b>Total Net Position</b>	<b>9,250,225.70</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 9,250,225.70</b>

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

**Reorganized School District R-VII of Jefferson County, Missouri**  
**Statement of Activities - Modified Cash Basis**  
**For the Year Ended June 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants Contributions and Debt Proceeds	Capital Grants and Contributions	
<b>Governmental activities:</b>					
Instruction	\$ 7,487,176.90	\$ 342,642.24	\$ 2,505,482.77	\$ 59,816.64	\$ (4,579,235.25)
Guidance	237,316.79	-	-	-	(237,316.79)
Health, Psych Speech and Audio	344,134.21	-	-	-	(344,134.21)
Improvement of Instruction	3,400.00	-	27,557.88	-	24,157.88
Professional Development	38,499.42	-	-	-	(38,499.42)
Media Services (Library)	177,985.61	-	-	-	(177,985.61)
Board of Education Services	564,750.82	-	-	-	(564,750.82)
Executive Administration	1,784,809.57	-	-	-	(1,784,809.57)
Building Level Administration	679,711.41	-	-	-	(679,711.41)
Operation of Plant	2,084,239.32	-	-	-	(2,084,239.32)
Security Services	28,142.64	-	-	-	(28,142.64)
Pupil Transportation	907,686.56	14,828.77	305,311.33	-	(587,546.46)
Food Services	786,405.08	300,770.36	207,661.10	-	(277,973.62)
Community Services	45,142.08	471,035.88	-	-	425,893.80
Capital Outlay	21,886.00	-	-	-	(21,886.00)
Debt Service:					
Principal Retirement	1,075,000.00	-	-	-	(1,075,000.00)
Interest and Fiscal Charges	367,254.00	-	-	-	(367,254.00)
<b>Total Governmental Activities</b>	<b>\$ 16,633,540.41</b>	<b>\$ 1,129,277.25</b>	<b>\$ 3,046,013.08</b>	<b>\$ 59,816.64</b>	<b>\$ (12,398,433.44)</b>
<b>General revenues:</b>					
Property taxes, levied for general purposes					8,588,076.65
Property taxes, levied for debt service					1,844,484.64
Other taxes					121,719.37
Prop C - Sales tax					1,403,407.69
Federal, State and County aid not restricted to specific purposes					421,383.79
Interest and investment earnings					570,696.37
Miscellaneous					96,784.85
<b>Subtotal, general revenues</b>					<b>13,046,553.36</b>
<b>Changes in net position</b>					<b>648,119.92</b>
Net position July 1, 2023					8,602,105.78
Net position June 30, 2024					<b>\$ 9,250,225.70</b>

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

**Reorganized School District R-VII Of Jefferson County, Missouri**  
**Balance Sheet - Modified Cash Basis**  
**All Governmental Funds**  
**June 30, 2024**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and Investments	\$ 5,609,302.34	\$ -	\$ -	\$ 1,285,271.41	\$ 6,894,573.75
<b>Restricted Assets</b>					
Cash and Investments	-	-	2,355,651.95	-	2,355,651.95
<b>Total Assets:</b>	<u><u>5,609,302.34</u></u>	<u><u>-</u></u>	<u><u>2,355,651.95</u></u>	<u><u>1,285,271.41</u></u>	<u><u>9,250,225.70</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Payroll Liabilities	-	-	-	-	-
<b>Total Liabilities</b>	-	-	-	-	-
<b>Fund Balances:</b>					
Restricted for:					
Debt Service	-	-	2,355,651.95	-	2,355,651.95
Assigned to:					
Special Revenue	-	-	-	-	-
Capital Projects	-	-	-	1,285,271.41	1,285,271.41
Unassigned	5,609,302.34	-	-	-	5,609,302.34
<b>Total Fund Balances</b>	<u><u>5,609,302.34</u></u>	<u><u>-</u></u>	<u><u>2,355,651.95</u></u>	<u><u>1,285,271.41</u></u>	<u><u>9,250,225.70</u></u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 5,609,302.34</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2,355,651.95</u></u>	<u><u>\$ 1,285,271.41</u></u>	<u><u>\$ 9,250,225.70</u></u>

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

**Reorganized School District R-VII Of Jefferson County, Missouri**  
**Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis**  
**All Governmental Funds**  
**For the Year Ended June 30, 2024**

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>Revenues</b>					
Local Sources:					
Property Taxes	\$ 8,454,171.65	\$ -	\$ 1,844,484.64	\$ 133,905.00	\$ 10,432,561.29
Sales Taxes	-	1,403,407.69	-	-	1,403,407.69
Other Taxes	36,513.65	-	7,939.76	77,265.96	121,719.37
Investment Income	499,387.05	1,803.40	68,289.33	1,216.59	570,696.37
Food Sales	300,770.36	-	-	-	300,770.36
Pupil Activities Income	342,642.24	-	-	-	342,642.24
Community Service	365,517.65	-	-	-	365,517.65
Other Local	25,184.45	-	-	-	25,184.45
Total Local	10,024,187.05	1,405,211.09	1,920,713.73	212,387.55	13,562,499.42
County Sources:					
Fines, Escheats, Etc.	-	15,915.22	-	-	15,915.22
State Assessed Utilities	254,417.65	-	146,987.78	4,063.14	405,468.57
Total County	254,417.65	15,915.22	146,987.78	4,063.14	421,383.79
State Sources:					
Basic Formula	381,350.07	1,144,050.22	-	-	1,525,400.29
State Grants and Contributions	660,878.51	15,759.11	-	244,032.73	920,670.35
Total State	1,042,228.58	1,159,809.33	-	244,032.73	2,446,070.64
Federal Sources	289,462.66	475,814.65	-	-	765,277.31
<b>TOTAL REVENUES</b>	<b>11,610,295.94</b>	<b>3,056,750.29</b>	<b>2,067,701.51</b>	<b>460,483.42</b>	<b>17,195,231.16</b>
<b>Expenditures</b>					
<b>Current</b>					
Regular Instruction	1,258,781.33	6,228,395.57	-	-	7,487,176.90
Guidance	6,216.96	231,099.83	-	-	237,316.79
Health, Psych Speech & Audio	344,134.21	-	-	-	344,134.21
Improvement of Instruction	3,400.00	-	-	-	3,400.00
Professional Development	38,499.42	-	-	-	38,499.42
Media Services	31,949.72	146,035.89	-	-	177,985.61
Board of Education Services	467,851.55	96,899.27	-	-	564,750.82
Executive Administration	1,343,770.42	417,009.37	-	24,029.78	1,784,809.57
Building Level Administration	193,889.62	485,821.79	-	-	679,711.41
Operation of Plant	1,330,531.82	-	-	753,707.50	2,084,239.32
Security Services	28,142.64	-	-	-	28,142.64
Pupil Transportation	775,966.56	-	-	131,720.00	907,686.56
Food Service	644,777.38	-	-	141,627.70	786,405.08
Community Services	22,571.04	22,571.04	-	-	45,142.08
Capital Outlay	-	-	-	21,886.00	21,886.00
Debt Service:					
Principal	-	-	1,075,000.00	-	1,075,000.00
Interest and Charges	-	-	367,254.00	-	367,254.00
<b>Total Expenditures</b>	<b>6,490,482.67</b>	<b>7,627,832.76</b>	<b>1,442,254.00</b>	<b>1,072,970.98</b>	<b>16,633,540.41</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>5,119,813.27</b>	<b>(4,571,082.47)</b>	<b>625,447.51</b>	<b>(612,487.56)</b>	<b>561,690.75</b>
<b>Other Financing Sources (Uses):</b>					
Transfers	(4,896,082.47)	4,571,082.47	-	325,000.00	-
Sale of Bonds	-	-	-	-	-
Premium on Bonds Sold	-	-	-	-	-
Net Insurance Recovery	71,600.40	-	-	-	71,600.40
Sale of School Buses	-	-	-	-	-
Sale of Other Property	-	-	-	-	-
Refunding Bonds	-	-	-	-	-
Tuition from other Districts	-	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-	-
Contracted Educational Services	14,828.77	-	-	-	14,828.77
Trans from other LEAS Non-Handi	-	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(4,809,653.30)</b>	<b>4,571,082.47</b>	<b>-</b>	<b>325,000.00</b>	<b>86,429.17</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>310,159.97</b>	<b>-</b>	<b>625,447.51</b>	<b>(287,487.56)</b>	<b>648,119.92</b>
Fund Balances July 1, 2023	5,299,142.37	-	1,730,204.44	1,572,758.97	8,602,105.78
Fund Balances June 30, 2024	<b>\$ 5,609,302.34</b>	<b>\$ -</b>	<b>\$ 2,355,651.95</b>	<b>\$ 1,285,271.41</b>	<b>\$ 9,250,225.70</b>

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

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reorganized School District R-VII of Jefferson County (“District”) operates as a “six director” District (with seven members of the Board of Education) as described in RSMo Chapter 162. The financial statements of Reorganized School District R-VII of Jefferson County have been prepared on the prescribed basis of accounting that demonstrates compliance with the modified cash basis and budget laws of the State of Missouri, which is a comprehensive basis of accounting other than generally accepted accounting principles. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District’s accounting policies are described below.

Principles Used to Determine Scope of Entity

The District’s reporting entity includes the District’s governing board and all related organizations that exercise oversight responsibility.

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying criteria set forth in generally accepted accounting principles accepted in the United States of America, as applicable to the modified cash basis of accounting. The basic criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the District’s reporting entity.

Excluded from the reporting entity:

Public School Retirement System of Missouri, Public Education Employee Retirement System, and Missouri United School Insurance Council (MUSIC). The participating Districts’ governing bodies have appointed these potential component units jointly. These are independent units that select management staff, set user charges, establish budgets and control all aspects of its daily activity.

The District has determined that no other outside agency meets the above criteria and, therefore, no other agency has been included as a component unit in the District’s financial statements. In addition, the District is not aware of any entity that would exercise such oversight, which would result in the District being considered a component unit of the entity.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of Presentation - Fund Accounting

The accounts of the District are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund or account group are accounted for with a separate set of self-balancing accounts that comprise its assets, fund balance, revenues and expenditures. District resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District uses the following fund types:

General (Incidental) Fund

This fund accounts for general activities of the District, including student activities, food services and textbooks which are not required to be accounted for in another fund.

Special Revenue (Teachers') Fund

This fund accounts for expenditures for certified employees involved in administration and instruction. It includes revenues restricted by the State and the local tax levy for the payment of teacher salaries and certain employee benefits.

Debt Service Fund

This fund accounts for the accumulation of resources for, and the payments of, principal, interest and fiscal charges on long-term debt.

Capital Projects (Building) Fund

This fund accounts for the proceeds of long-term debt, taxes and other revenues restricted for acquisition or construction of major capital assets.

The District's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities present financial information about the District as a whole. These statements include the financial activities of the primary government. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The Statement of Net Position presents the financial condition of the governmental activities of the District at year-end. 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. Amounts reported as *program revenues* include (a) charges paid by the students for tuition, fees, or goods and services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as *program revenues* are presented as general revenues and include all property taxes. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or drawing from the District's general revenues.

*Fund Financial Statements*

The fund financial statements provide information about the District's funds. A balance sheet and a statement of revenues, expenditures, and changes in fund balances are presented. The emphasis of fund financial statements is on major governmental funds; each is displayed in a separate column. The District considers each of its funds to be major.

Basis of Accounting

The financial statements are presented on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America (GAAP) as established by the Governmental Accounting Standards Board. This basis of accounting involves modifications to the cash basis of accounting to report in the statement of net position or balance sheet cash transactions or events that provide a benefit or result in an obligation that covers a period greater than the period in which the cash transaction or event occurred.

This modified cash basis of accounting differs from GAAP primarily because certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected, and other accrued revenue and receivables) and certain liabilities and their related expenses or expenditures (such as accounts payable and expenses for goods or services received but not yet paid, and other accrued expenses and liabilities) are not recorded in these financial statements. In addition, other economic assets, deferred outflows, liabilities, and deferred inflows that do not arise from a cash transaction or event (such as donated assets and postemployment benefit obligations) are not reported, and the measurement of reported assets and liabilities does not involve adjustment to fair value.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting, the fund financial statements for proprietary fund types (if any) would use the accrual basis of accounting. All government-wide financial statements would be presented on the accrual basis of accounting.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Pooled Cash and Temporary Investments

Cash resources are combined to form a pool of cash and temporary investments which is managed by the District Treasurer.

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

Interest income earned is allocated to contributing funds based on each fund's proportionate share of funds invested. In addition, see Note II, Cash and Investments.

Fund Balance Reserves

The District reserves those portions of fund balance legally segregated for a specific future use or those that do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods.

Net Position

Net position represents the difference between assets and liabilities. 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 or laws or regulations of other governments. All other portions of net position are reported as unrestricted. The District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted parts of net position are available.

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 on the financial statements.

Extraordinary and Special Items

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

Inventories

The District does not maintain inventory cost records. Inventory is deemed to be immaterial and is accounted for using the purchase method in which supplies are charged to expenditures when purchased.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated Absences

Vacation time, personal sick days, and sick leave are considered expenditures in the year paid. Amounts that are unpaid and vested in the employee are paid at termination. Total vested and unpaid sick leave at June 30, 2024, amounted to approximately \$148,943.75.

Teachers' Salaries

The salary payment schedule of the District for the 2023-2024 school year requires the payment of salaries over a 12-month period. The District pays employees equally over the course of the school year, rather than including the July and August 2024 payroll checks in the financial statements as an expenditure paid in the month of June.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable Fund Balance consists of funds that cannot be spent due to their form (e.g., inventories and prepaids) or funds that legally or contractually must remain intact.

Restricted Fund Balance consists of funds that are mandated for a specific purpose by external parties, constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District held bonds and are restricted through debt covenants.

Committed Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority, the Board of Education. Formal action, such as a vote from the Board of Education, must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.

Assigned Fund Balance consists of funds that are set aside for a specific purpose by the District's highest level of decision-making authority, such as the Board of Education, or a body or official, like the Superintendent, who has been given the authority to assign funds. Assigned funds cannot cause a deficit in unassigned fund balance. This classification includes the remaining positive fund balance of all governmental funds except for the General Fund.

Unassigned Fund Balance consists of excess funds that have not been classified in the previous four categories. All funds in this category are considered spendable resources. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Fund Balance Classification (Concluded)

The District would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but it reserves the right to selectively spend unassigned resources first to defer using these other classified funds.

As of June 30, 2024, fund balance components other than unassigned fund balances consist of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund	\$ -	\$ -	\$ -	\$ -
Special Revenue/ (Teacher) Fund	-	-	-	-
Debt Service Fund	-	2,355,651.95	-	-
Capital Projects Fund	-	-	-	1,285,271.41
Total	<u>\$ -</u>	<u>\$ 2,355,651.95</u>	<u>\$ -</u>	<u>\$ 1,285,271.41</u>

II. CASH AND INVESTMENTS

The District is governed by the deposit and investment limitations of state law. The depository bank is to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance at least equal to the amount on deposit at all times in accordance with sections 110.010 and 110.020 of the Missouri Revised Statutes.

The District may invest funds in bonds or any instrument permitted by law for the investment of state monies in accordance with section 165.051 of the Missouri Revised Statutes. The District participates in the Missouri Direct Deposit Program which is 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 \$561,483.91 in this program.

The District also participates in the Missouri Securities Investment Program (MOSIP). MOSIP is an external investment pool in which the District's monies are pooled with other school districts' monies to purchase investments that are permitted by state statutes. The District's monies purchase a pro-rata share of the pool. A board of directors composed of Missouri school administrators, school board members, and school business officials provides governance and oversight of MOSIP's operations. The board seeks to maintain a stable net asset value of \$1 per share. At June 30, 2024, the District had \$238,147.28 invested through MOSIP.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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II. CASH AND INVESTMENTS (continued)

SUMMARY OF CARRYING VALUES

The carrying values of deposits and investments shown above are included in the financial statements at June 30, 2024, and reported at cost, are as follows:

TYPE	MATURITIES	FMV
Deposits:		
Cash and Demand Deposits	N/A	\$ 8,450,594.51
Investments:		
External Investment Pool	Less than 1 year	238,147.28
MOHEFA Bond Program-Money Market Mutual Fund	Less than 1 year	561,483.91
Total Deposits and Investments		\$ 9,250,225.70

Custodial Credit Risk - Deposits - Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. 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. As of June 30, 2024, the District's deposits were not exposed to custodial credit risk.

Custodial Credit Risk - Investments - 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 has no formal investment policy for custodial credit risk. All investments, evidenced by individual securities, are registered in the name of the District or are of a type not exposed to custodial credit risk.

Investment 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 no more than 180 days from purchase date and all other investments shall mature and become payable in no more than five years from purchase date. Maturities of investments held at June 30, 2024 are summarized above.

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. At June 30, 2024, the District's investments were rated as follows:

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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II. CASH AND INVESTMENTS (concluded)

Description	Financial Institution	Amount	Rating
External Investment Pool	MOSIP	\$ 238,147.28	AAAm
MOHEFA Bond Program:			
Money Market Mutual Funds	BOK Financial	\$ 561,483.91	AAAm

Concentration of Investment Credit Risk - 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).

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 50%. At June 30, 2024, the District did not have any concentrations of credit risk required to be disclosed.

III. TAXES

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable by December 31. All unpaid taxes become delinquent January 1, of the following year. The county collects the property tax and remits it to the District on a monthly basis.

The District also receives sales tax collected by the State and remitted based on a prior year weighted average attendance. The District is required to reduce its property tax levy by one-half the amount of sales tax estimated to be received in the subsequent calendar year, unless the District receives a Proposition C waiver.

The assessed valuation of the tangible taxable property (including state assessed railroad and utilities) for the calendar year 2023, for purposes of local taxation, was:

Real Estate:	
Residential	\$ 89,585,700.00
Agricultural	948,100.00
Commercial	70,066,688.00
Personal Property	69,023,312.00
Total	\$ 229,623,800.00

REORGANIZED SCHOOL DISTRICT R-VII  
 OF JEFFERSON COUNTY, MISSOURI  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED JUNE 30, 2024

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III. TAXES (concluded)

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

	Unadjusted	Adjusted
General (Incidental) Fund	\$ 3.7250	\$ 3.7250
Special Revenue Fund	0.0000	0.0000
Debt Service Fund	0.8127	0.8127
Capital Project's Fund	0.0590	0.0590
Total	\$ 4.5967	\$ 4.5967

The receipts of current and delinquent property taxes during the fiscal year ended June 30, 2024, aggregated approximately 98.84% of the current assessment computed on the basis of the levy as shown above.

IV. LONG-TERM DEBT

The following is a summary of bond transactions for the year ended June 30, 2024:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Interest Paid
Bonds	\$14,500,000.00	\$ -	\$1,075,000.00	\$13,425,000.00	\$366,300.00
Totals	\$14,500,000.00	\$ -	\$1,075,000.00	\$13,425,000.00	\$366,300.00



REORGANIZED SCHOOL DISTRICT R-VII  
 OF JEFFERSON COUNTY, MISSOURI  
 NOTES TO THE FINANCIAL STATEMENTS  
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IV. LONG-TERM DEBT (concluded)

Article VI, Section 26(b), Constitution of Missouri, limits the outstanding amount of authorized general obligation bonds of a district to 15% of the assessed valuation of a district (including state-assessed railroad and utilities). The District did not exceed the legal debt margin at June 30, 2024.

The legal debt margin of the District at June 30, 2024, was:

Constitutional Debt Limit	\$ 34,443,570.00
General Obligation Bonds Payable	(13,425,000.00)
Amount Available in Debt Service Fund	<u>2,355,651.95</u>
AVAILABLE BONDING CAPACITY	<u>\$ 23,374,221.95</u>

V. LEASES – OPERATING

On July 6, 2021, the District entered into an operating lease for an office postage machine system. The terms of the lease calls for monthly lease payments of \$126.39 per month for a period of 63 months. The total lease expense for the year ended June 30, 2024, was \$1,480.02.

On May 5, 2023, the District entered into a lease agreement for copiers with Sumner One. The terms of the agreement include a monthly lease payment of \$3,417.00 for 60 months. The total lease expense for the year ended June 30, 2024, was \$41,004.00.

The following is a schedule of the future minimum lease payments under the leases (assuming non-cancellation):

YEAR ENDED JUNE 30	
2025	\$ 42,557.34
2026	42,520.68
2027	41,383.17
2029	<u>41,004.00</u>
TOTAL	<u>\$ 167,465.19</u>

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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VI. RETIREMENT PLANS

**Public School and Education Employee Retirement Systems of Missouri  
(PSRS and PEERS also referred to as the Systems)**

General Information about the Pension Plans

*Plan Description.* 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.

PEERS is a mandatory cost-sharing multiple employer retirement system for all non-certified 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.

*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. Due to the passage of Senate Bill 75 (HCS/SS/SB/75), effective August 28, 2023, members who retire with 32 or more years of service will have their benefit calculated using a 2.55% benefit factor. 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 service 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

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
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VI. RETIREMENT PLANS (concluded)

General Information about the Pension Plans (Concluded)

reaching minimum Social Security age (currently age 62), which is calculated using a 0.8% benefit factor. Actuarially age-reduced retirement benefits are available 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.

Summary Plan Descriptions 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 both 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 one or more 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% 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%, a 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 \$907,836.82 and \$178,959.85 respectively, for the year ended June 30, 2024.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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VII. CONTINGENCIES

Litigation – There are no claims or lawsuits against the District as of June 30, 2024.

Grant 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 Federal or State provisions that might require the District to provide reimbursement.

Participation in Public Entity Risk Pools – The District is exposed to various risks of loss due to torts; theft to, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District was joined together with approximately 494 other Missouri public school districts to form the Missouri United School Insurance Council (MUSIC). MUSIC is a public entity risk pool currently operating as a common risk management and insurance program. The District does not pay premiums to purchase insurance policies, but pays an assessment to be a member of the self-sustaining risk sharing group. Part of the assessment is used to purchase excess insurance for the group as a whole. The calendar year 2024 assessment was \$254,543. The pooling agreement requires the pool to be self-sustaining. The District believes that it is not possible to estimate the range of contingent losses to be borne by the District.

VIII. INTERFUND TRANSFERS

Transfers between funds for the year ended June 30, 2024, are as follows:

<b>Fund</b>	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ -	\$ 4,896,082.47
Capital Projects Fund	325,000.00	-
Special Revenue Fund	<u>4,571,082.47</u>	<u>-</u>
Total	<u>\$ 4,896,082.47</u>	<u>\$ 4,896,082.47</u>

During 2024, transfers were made to the Capital Projects Fund and Special Revenue Fund from the General Fund. The transfer to the Capital Projects Fund consists of \$325,000 for a 7% $\times$ SAT $\times$ WADA transfer. A transfer of \$4,571,082.47 was made to the Special Revenue Fund in order to achieve a zero or positive balance in the fund.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2024

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IX. POST-EMPLOYMENT BENEFITS

COBRA Benefits - Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the District under this program. For the year ended June 30, 2024, the District had no participants in this program.

In addition to the pension benefits described in Note VI, the District allows employees who retire from the District to participate in the District's health, dental and life insurance plans. Upon meeting the retirement requirements per PSRS and 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 used 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 to be 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 stand-alone financial report is not available for the plan. During the year, 13 retirees participated in the District's insurance plans and paid premiums totaling \$95,184.35.

X. TAX ABATEMENT

There were no tax abatements for the current year.

XI. SUBSEQUENT EVENTS

There are no subsequent events to report as of the audit report date.

## **OTHER INFORMATION**

**Reorganized School District R-VII of Jefferson County, Missouri**  
**Budgetary Comparison Schedule**  
**Modified Cash Basis - General Fund - Unaudited**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local Sources	\$ 9,266,815.00	\$ 10,024,187.05	\$ 10,024,187.05	\$ -
County Sources	240,000.00	254,417.65	254,417.65	-
State Sources	1,066,767.00	1,042,228.58	1,042,228.58	-
Federal Sources	306,528.00	289,462.66	289,462.66	-
<b>TOTAL REVENUES</b>	<b>10,880,110.00</b>	<b>11,610,295.94</b>	<b>11,610,295.94</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	1,246,995.46	1,258,781.33	1,258,781.33	-
Attendance	-	-	-	-
Guidance	8,600.00	6,216.96	6,216.96	-
Health, Psych Speech & Audio	368,725.78	344,134.21	344,134.21	-
Improvement of Instruction	38,226.00	3,400.00	3,400.00	-
Professional Development	39,783.00	38,499.42	38,499.42	-
Media Services	35,508.00	31,949.72	31,949.72	-
Board of Education Services	447,586.00	467,851.55	467,851.55	-
Executive Administration	1,162,269.65	1,343,770.42	1,343,770.42	-
Building Level Administration	191,074.99	193,889.62	193,889.62	-
Business Central Services	-	-	-	-
Operation of Plant	1,329,315.05	1,330,531.82	1,330,531.82	-
Security Services	4,000.00	28,142.64	28,142.64	-
Pupil Transportation	808,962.31	775,966.56	775,966.56	-
Food Service	694,841.18	644,777.38	644,777.38	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	30,000.00	22,571.04	22,571.04	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
<b>Total Expenditures</b>	<b>6,405,887.42</b>	<b>6,490,482.67</b>	<b>6,490,482.67</b>	<b>-</b>
<b>Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>4,474,222.58</b>	<b>5,119,813.27</b>	<b>5,119,813.27</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	-	(4,896,082.47)	(4,896,082.47)	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	71,600.40	71,600.40	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	14,828.77	14,828.77	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(4,809,653.30)</b>	<b>(4,809,653.30)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>4,474,222.58</b>	<b>310,159.97</b>	<b>310,159.97</b>	<b>-</b>
Fund Balance, July 1, 2023	5,299,142.37	5,299,142.37	5,299,142.37	-
<b>Fund Balance, June 30, 2024</b>	<b>\$ 9,773,364.95</b>	<b>\$ 5,609,302.34</b>	<b>\$ 5,609,302.34</b>	<b>\$ -</b>

Reorganized School District R-VII of Jefferson County, Missouri  
**Budgetary Comparison Schedule**  
**Modified Cash Basis - Special Revenue Fund - Unaudited**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local Sources	\$ 1,250,800.00	\$ 1,405,211.09	\$ 1,405,211.09	\$ -
County Sources	12,000.00	15,915.22	15,915.22	-
State Sources	1,311,750.00	1,159,809.33	1,159,809.33	-
Federal Sources	397,772.00	475,814.65	475,814.65	-
<b>TOTAL REVENUES</b>	<b>2,972,322.00</b>	<b>3,056,750.29</b>	<b>3,056,750.29</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	6,281,463.37	6,228,395.57	6,228,395.57	-
Attendance	-	-	-	-
Guidance	232,282.72	231,099.83	231,099.83	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	147,263.15	146,035.89	146,035.89	-
Board of Education Services	90,000.00	96,899.27	96,899.27	-
Executive Administration	390,513.28	417,009.37	417,009.37	-
Building Level Administration	486,082.62	485,821.79	485,821.79	-
Business Central Services	-	-	-	-
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	30,000.00	22,571.04	22,571.04	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
<b>Total Support Services</b>	<b>7,657,605.14</b>	<b>7,627,832.76</b>	<b>7,627,832.76</b>	<b>-</b>
<b>Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>(4,685,283.14)</b>	<b>(4,571,082.47)</b>	<b>(4,571,082.47)</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	5,277,491.17	4,571,082.47	4,571,082.47	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>5,277,491.17</b>	<b>4,571,082.47</b>	<b>4,571,082.47</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>592,208.03</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balance, July 1, 2023	-	-	-	-
<b>Fund Balance, June 30, 2024</b>	<b>\$ 592,208.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Reorganized School District R-VII of Jefferson County, Missouri  
 Budgetary Comparison Schedule  
 Modified Cash Basis - Debt Service Fund - Unaudited  
 For the Year Ended June 30, 2024

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local Sources	\$ 1,763,630.76	\$ 1,920,713.73	\$ 1,920,713.73	\$ -
County Sources	125,000.00	146,987.78	146,987.78	-
State Sources	-	-	-	-
Federal Sources	-	-	-	-
<b>TOTAL REVENUES</b>	<b>1,888,630.76</b>	<b>2,067,701.51</b>	<b>2,067,701.51</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	-	-	-	-
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	-	-	-	-
Building Level Administration	-	-	-	-
Business Central Services	-	-	-	-
Operation of Plant	-	-	-	-
Security Services	-	-	-	-
Pupil Transportation	-	-	-	-
Food Service	-	-	-	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	1,025,000.00	1,075,000.00	1,075,000.00	-
Interest and Charges	345,800.00	367,254.00	367,254.00	-
<b>Total Expenditures</b>	<b>1,370,800.00</b>	<b>1,442,254.00</b>	<b>1,442,254.00</b>	<b>-</b>
<b>Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>517,830.76</b>	<b>625,447.51</b>	<b>625,447.51</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	-	-	-	-
Sale of Bonds	-	-	-	-
Premium on Bonds Sold	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>517,830.76</b>	<b>625,447.51</b>	<b>625,447.51</b>	<b>-</b>
Fund Balance, July 1, 2023	1,730,204.44	1,730,204.44	1,730,204.44	-
<b>Fund Balance, June 30, 2024</b>	<b>\$ 2,248,035.20</b>	<b>\$ 2,355,651.95</b>	<b>\$ 2,355,651.95</b>	<b>\$ -</b>

Reorganized School District R-VII of Jefferson County, Missouri  
**Budgetary Comparison Schedule**  
**Modified Cash Basis - Capital Projects Fund - Unaudited**  
**For the Year Ended June 30, 2024**

	Budgeted Amounts		Actual	Over (Under)
	Original	Final		Final Budget
<b>Revenues</b>				
Local Sources	\$ 219,600.00	\$ 212,387.55	\$ 212,387.55	\$ -
County Sources	2,500.00	4,063.14	4,063.14	-
State Sources	-	244,032.73	244,032.73	-
Federal Sources	-	-	-	-
<b>TOTAL REVENUES</b>	<b>222,100.00</b>	<b>460,483.42</b>	<b>460,483.42</b>	<b>-</b>
<b>Expenditures</b>				
<b>Current</b>				
Instruction	17,000.00	-	-	-
Attendance	-	-	-	-
Guidance	-	-	-	-
Health, Psych Speech & Audio	-	-	-	-
Improvement of Instruction	-	-	-	-
Professional Development	-	-	-	-
Media Services	-	-	-	-
Board of Education Services	-	-	-	-
Executive Administration	-	24,029.78	24,029.78	-
Building Level Administration	-	-	-	-
Business Central Services	-	-	-	-
Operation of Plant	330,000.00	753,707.50	753,707.50	-
Security Services	-	-	-	-
Pupil Transportation	131,720.00	131,720.00	131,720.00	-
Food Service	10,000.00	141,627.70	141,627.70	-
Central Office Support Services	-	-	-	-
Other Supporting Services	-	-	-	-
Community Services	-	-	-	-
Capital Outlay	40,000.00	21,886.00	21,886.00	-
Debt Service:				
Principal	-	-	-	-
Interest and Charges	-	-	-	-
<b>Total Support Services</b>	<b>528,720.00</b>	<b>1,072,970.98</b>	<b>1,072,970.98</b>	<b>-</b>
<b>Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>(306,620.00)</b>	<b>(612,487.56)</b>	<b>(612,487.56)</b>	<b>-</b>
<b>Other Financing Sources (Uses):</b>				
Transfers	-	325,000.00	325,000.00	-
Sale of Bonds	-	-	-	-
Net Insurance Recovery	-	-	-	-
Sale of School Buses	-	-	-	-
Sale of Other Property	-	-	-	-
Refunding Bonds	-	-	-	-
Tuition from other Districts	-	-	-	-
Area Voc Fees from Other LEAS	-	-	-	-
Contracted Educational Services	-	-	-	-
Trans from other LEAS Non-Handi	-	-	-	-
Trans from other LEAS for Handi	-	-	-	-
Trans from other LEAS for ECSE Handi	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>325,000.00</b>	<b>325,000.00</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(306,620.00)</b>	<b>(287,487.56)</b>	<b>(287,487.56)</b>	<b>-</b>
Fund Balance, July 1, 2023	1,572,758.97	1,572,758.97	1,572,758.97	-
<b>Fund Balance, June 30, 2024</b>	<b>\$ 1,266,138.97</b>	<b>\$ 1,285,271.41</b>	<b>\$ 1,285,271.41</b>	<b>\$ -</b>

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
FOR THE YEAR ENDED JUNE 30, 2024

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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.
2. Prior to June 30, the Superintendent, who serves as the budget officer, submits to the Board of Education a proposed budget for the fiscal year beginning 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 its 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. Adjustments made during the year are reflected in the budget information included in the financial statements.
6. Budgeted amounts are as originally adopted on June 28, 2023, and as finally amended by the Board of Education on June 25, 2024.
7. Budgets are adopted on the cash basis of accounting for all Governmental Funds.

**STATE COMPLIANCE SECTION**



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**INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S  
ASSERTIONS ABOUT COMPLIANCE WITH SPECIFIED REQUIREMENTS  
OF MISSOURI STATE LAWS AND REGULATIONS**

To the Members of the Board of Education  
Reorganized School District R-VII of Jefferson County

**Report on Compliance with State Requirements**

We have examined management's assertions that the Reorganized School District R-VII of Jefferson County ("District"), Missouri complied with the requirements of Missouri laws and regulations regarding budgetary and disbursement procedures; accurate disclosure by the District's records of pupil attendance and average daily transportation of pupils, and other statutory requirements as listed in the Schedule of Selected Statistics for the year ended June 30, 2024.

**Management's Responsibility**

Management is responsible for the District's compliance with the aforementioned requirements.

**Auditors' Responsibility**

Our responsibility is to express an opinion on management's assertions about the District's compliance based on our examination. Our examination was made in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our opinion does not provide a legal determination on the District's compliance with specified requirements.

**Opinion on Compliance with State Requirements**

In our opinion, management's assertions that the Reorganized School District R-VII of Jefferson County, Missouri complied with the aforementioned requirements for the year ended June 30, 2024, are fairly stated, in all material respects.

This report is intended solely for the information and use of the Board of Education, District management, the Missouri Department of Elementary and Secondary Education and other audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Daniel Jones & Associates*

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

November 13, 2024

REORGANIZED SCHOOL DISTRICT R-VII  
 OF JEFFERSON COUNTY, MISSOURI  
 SCHEDULE OF SELECTED STATISTICS (DISTRICT: 050-007)  
 FOR THE YEAR ENDED JUNE 30, 2024

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**1. CALENDAR (SECTIONS 160.041, 171.029, 171.031, and 171.033 RSMO)**

School Code	Begin Grade	End Grade	Half Day Indicator	Standard Day Length	Days	Hours in Session
1050	9	12	-	6.75	165	1,105.5000
3000	6	8	-	6.75	165	1,105.5000
4020	K	2	-	6.75	165	1,105.5000
4060	3	5	-	6.75	165	1,105.5000
7500	PK	PK	-	6.75	165	1,105.5000

**2. ATTENDANCE HOURS**

School Code	Grade Level	Full-Time Hours	Part-Time Hours	Remedial Hours	Other Hours	Summer School Hours	Total Hours
4020	K-2	231,205.6498	-	-	-	5,253.5500	236,459.1998
4060	3-5	242,743.3518	-	-	-	4,129.0002	246,872.3520
3000	6-8	243,355.3423	-	-	-	1,164.3167	244,519.6590
1050	9-12	317,357.7116	-	-	-	5,861.4667	323,219.1783
	<b>Total</b>	<b>1,034,662.0555</b>	-	-	-	<b>16,408.3336</b>	<b>1,051,070.3891</b>

REORGANIZED SCHOOL DISTRICT R-VII  
 OF JEFFERSON COUNTY, MISSOURI  
 SCHEDULE OF SELECTED STATISTICS (DISTRICT: 050-007)  
 FOR THE 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	322.00	-	-	322.00
3000	6-8	234.00	-	-	234.00
4020	K-2	219.00	-	-	219.00
4060	3-5	231.00	-	-	231.00
7500	PK	68.00	-	-	68.00
	<b>Grand Total</b>	<b>1,074.00</b>	-	-	<b>1,074.00</b>

**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	40.00	8.00	-	-	48.00
3000	53.00	12.00	-	-	65.00
4020	53.00	12.00	-	-	65.00
4060	50.00	5.00	-	-	55.00
<b>Total</b>	<b>196.00</b>	<b>37.00</b>	-	-	<b>233.00</b>

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
SCHEDULE OF SELECTED STATISTICS (DISTRICT: 050-007)  
FOR THE YEAR ENDED JUNE 30, 2024

**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.	<b>True</b>
5.2	The district maintained complete and accurate attendance records allowing for the accurate calculation and reporting by category of Average Daily Attendance, which includes the reporting of calendar and attendance hours, for all students in accordance with all applicable state rules and regulations. Sampling of records included those students receiving instruction in the following categories:	<b>True</b>
	Academic Programs Off-Campus	<b>N/A</b>
	Career Exploration Program – Off Campus	<b>N/A</b>
	Cooperative Occupational Education (COE) or Supervised Occupational Experience Program	<b>N/A</b>
	Dual enrollment	<b>True</b>
	Homebound instruction	<b>True</b>
	Missouri Options	<b>N/A</b>
	Prekindergarten eligible to be claimed for state aid	<b>N/A</b>
	Remediation	<b>N/A</b>
	Sheltered Workshop participation	<b>N/A</b>
	Students participating in the school flex program	<b>True</b>
	Traditional instruction (full and part-time students)	<b>True</b>
	Virtual instruction (MOCAP or other option)	<b>True</b>
	Work Experience for Students with Disabilities	<b>N/A</b>
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.	<b>True</b>
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.	<b>True</b>
5.5	As required by Section 162.401, RSMo, a bond was purchased for the district’s treasurer in the total amount of:	<b>\$50,000</b>
5.6	The district’s deposits were secured during the year as required by Sections 110.010 and 110.020, RSMo., and the Missouri Financial Accounting Manual.	<b>True</b>
5.7	The district maintained a separate bank account for all Debt Service Fund monies in accordance with Section 108.180 and 165.011, RSMo.	<b>True</b>
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. This includes payments for Teacher Baseline Salary Grants and Career Ladder if applicable.	<b>True</b>
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 expenditure date for the projects to be undertaken.	<b>True</b>

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
SCHEDULE OF SELECTED STATISTICS (DISTRICT: 050-007)  
FOR THE YEAR ENDED JUNE 30, 2024

**5. FINANCE (CONCLUDED)**

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.	<b>True</b>
5.11	The district has a professional development committee plan adopted by the board with the 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.	<b>True</b>
5.12	The amount spent for approved professional development committee plan activities was:	<b>\$38,499.42</b>
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.	<b>True</b>

**6. TRANSPORTATION**

#		
6.1	The school transportation allowable costs substantially conform to 5 CSR 30-261.040, Allowable Costs for State Transportation Aid.	<b>True</b>
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.	<b>True</b>
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:	
	Eligible ADT	<b>523.50</b>
	Ineligible ADT	<b>0</b>
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.	<b>True</b>
6.5	Actual odometer records show the total district-operated and contracted mileage for the year was:	<b>158,829</b>
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:	
	Eligible Miles	<b>104,292</b>
	Ineligible Miles (Non-Route/Disapproved)	<b>54,537</b>
6.7	Number of days the district operated the school transportation system during the regular school year:	<b>165</b>

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
SCHEDULE OF STATE FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. CHAPTER 67 RSMO (BUDGET STATUTE)

Chapter 67 RSMo requires that each political subdivision of the State of Missouri adopt an annual budget, itemized by fund. It further requires that in no event shall the total proposed expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year.

There were no state findings.

## **INTERNAL CONTROL AND COMPLIANCE SECTION**



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

To the Members of the Board of Education  
Reorganized School District R-VII of Jefferson County

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Reorganized School District R-VII of Jefferson County ("District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 13, 2024. Our report on the basic financial statements disclosed that, as described in Note I 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.

***Report on Internal Control Over Financial Reporting***

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

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

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

***Report on Compliance and Other Matters***

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

***Purpose of this Report***

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

*Daniel Jones & Associates*

DANIEL JONES & ASSOCIATES, P.C.  
CERTIFIED PUBLIC ACCOUNTANTS  
ARNOLD, MISSOURI

November 13, 2024

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED JUNE 30, 2024

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I. FINANCIAL STATEMENT FINDINGS

There were no financial statement findings for the year ended June 30, 2024.

REORGANIZED SCHOOL DISTRICT R-VII  
OF JEFFERSON COUNTY, MISSOURI  
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2024

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I. FINANCIAL STATEMENT FINDINGS – PRIOR YEAR

There were no prior year audit findings noted for the fiscal year ended June 30, 2023.

II. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS-PRIOR YEAR

There were no audit findings related to federal awards and questioned costs for the year ended June 30, 2023.